

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Please note, these transcripts are not individually reviewed and approved for accuracy.

STATE OF CALIFORNIA
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD
BOARD MEETING

JOE SERNA, JR., AUDITORIUM
1001 I STREET
SACRAMENTO, CALIFORNIA

WEDNESDAY, FEBRUARY 20, 2002
9:35 A.M.

BALINDA DUNLAP, CSR NO. 10710, RPR, CRR, RMR

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

1 A P P E A R A N C E S

2

3

4 BOARD MEMBERS PRESENT:

5

LINDA MOULTON-PATTERSON, Chair

6 STEVEN R. JONES

JOSE MEDINA

7 MICHAEL PAPARIAN

DAVID A. ROBERTI

8

9

STAFF PRESENT:

10

11 MARK LEARY, Executive Director

KARIN FISH, Chief Deputy Director

12 KATHRYN TOBIAS, Chief Counsel

ELLIOT BLACK, Legal Counsel

13 YVONNE VILLA, Board Secretary

DEBORAH McKEE, Board Administrative Assistant

14

15 ---o0o---

16

17

18

19

20

21

22

23

24

25

1 I N D E X

2	Call to Order	5
	Roll Call and Declaration of Quorum	5
3	Opening Remarks	5
4	Item 9 Consideration of Recommendation approval of	7
5	the Scope of Work for the Risk Assessment	
	Assistance Contract	
6	Item 10 Consideration of Approval of the Office of	7
7	Environmental Health Hazard Assessment as	
8	Contractor for the Risk Assessment Assistance	
	Contract	
9	Item 25 Consideration of Approval of the Submission	13
10	of the California Integrated Waste Management	
	Board's Annual Integrated Waste Management Report	
11	Item 26 Consideration of Approval of the 2001 Annual	20
	Report to the Legislature	
12	Item 27 Consideration of Approval of Outreach	20
13	Program Sponsorship Contract Concepts	
14	Item 28 Consideration of Approval of the Recycling	25
15	Market Development Revolving Loan Program	
	Application for B.A.S. Recycling, Inc.	
16	Item 29 Consideration of Approval of the Recycling	26
17	Market Development Revolving Loan Program	
	Application for U.S. Rubber Recycling, Inc.	
18	Item 30 Consideration of Approval of the Recycling	31
19	Market Development Revolving Loan Program	
	Application for John V. Sleuter	
20	Item 31 Consideration of Approval of Rigid Plastic	34
21	Packaging Container Compliance Agreements for	
	Compliance Years 1997, 1998 and 1999	
22	Item 32 Consideration of Approval of Third Cycle	36
	Reuse Assistance Grant Awards	
23	Item 33 Consideration of Approval of Contractor for	38
24	the California Product Stewardship Initiative	
25	Support Project	

1 I N D E X

2	Item 36	Consideration of Approval of California Air	41
3		Resources Board as Contractor for 2002 Electric	
4		Mulching Mower Rebates Contract	
5	Item 38	Consideration of Approval of California State	49
6		University, Sacramento as Contractor for the	
7		Statewide Food Residuals Diversion Summit	
8	Item 41	Consideration of Issues and Recommendations	96
9		from the January 8, 2002, Regulation of	
10		Conversion Technologies Workshop	
11	Item 42	Consideration of Approval of Redirection of	53
12		Funds, the Contract Concept and Scope of Work to	
13		Review Audit Methodologies for Generation Studies	
14		and to Develop Analytical Audit Tools	
15	Item 43	Consideration of Approval of the Newpoint	53
16		Group as Contractor to Review Audit	
17		Methodologies for Generation Studies and to	
18		Develop Analytical Audit Tools	
19	Item 46	Consideration of Approval of the Work Plan	61
20		for Implementing Board Adopted SB 2202	
21	Item 47	Consideration of Staff Recommendation of the	70
22		1999-2000 Biennial Review Findings for the	
23		Source Reduction and Recycling Element and	
24		Household Hazardous Waste Element for the	
25		following jurisdictions:	
26	Item 48	Consideration of Staff Recommendation on the	73
27		1999-2000 Biennial Review Findings for the	
28		Source Reduction and Recycling Element and	
29		Household Hazardous Waste Element for the	
30		following jurisdictions:	
31	Item 49	Consideration of Staff Recommendation to	90
32		Change the Base Year to 1998 for the Previously	
33		Approved Source Reduction and Recycling Element	
34		and the Household Hazardous Waste Element; and	
35		Consideration of Completion of Compliance Order	
36	Item 50	Consideration of Staff Recommendation of the	95
37		Adequacy of the Five Year Review Report of the	
38		Countywide Integrated Waste Management Plan for	
39		the County of Tuolumne	

1 SACRAMENTO, CALIFORNIA, FEBRUARY 20, 2002

2 ---o0o---

3 BOARD CHAIR MOULTON PATTERSON: This is the second
4 day of our meeting of the California Integrated Waste
5 Management Board. And please turn off all cell phones
6 during the meeting. We'd really appreciate it, and pagers.

7 And there are speaker slips in the back of the
8 room if you would like to speak on an item. They are in the
9 back. And Ms. Villa is right over here, and we will make
10 sure we get your speaker list.

11 First of all, we better call roll.

12 SECRETARY VILLA: Mr. Eaton?

13 BOARD CHAIR MOULTON PATTERSON: Mr. Eaton is ill.

14 SECRETARY VILLA: Jones?

15 BOARD MEMBER JONES: Here.

16 SECRETARY VILLA: Paparian?

17 BOARD MEMBER PAPARIAN: Present.

18 SECRETARY VILLA: Roberti? Moulton Patterson?

19 BOARD CHAIR MOULTON PATTERSON: Here. Do you have
20 any ex parte?

21 BOARD MEMBER JONES: One from David Morris from
22 Institute for Local Self-reliance on Commercial Technology
23 and Chip Climmons on commercial technology.

24 BOARD CHAIR MOULTON PATTERSON: Thank you.
25 Mr. Medina?

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

1 BOARD MEMBER MEDINA: None to report.

2 BOARD CHAIR MOULTON PATTERSON: Thank you.

3 Mr. Paparian?

4 BOARD MEMBER PAPARIAN: I think I have the same
5 letter from -- we may all have the same letter as Mr. Jones'
6 ex parte, the Institute for Local Self-reliance, agenda item
7 41.

8 BOARD CHAIR MOULTON PATTERSON: Thank you. And I
9 have none. I am up to date with that one notice.

10 As far as the agenda goes for people that weren't
11 here yesterday, items 2, 4, 12 and 44 were pulled. Items
12 23, 34, 35, 37, 39, 51 and 52 were approved on the consent
13 calendar. We finished items 1 through 24 with the exception
14 of nine and ten, which we will be starting with today. What
15 is the -- item No. 41 will be heard at 1:30 today. And we
16 will take up items 25 to the end of the agenda in addition
17 to that.

18 Also, we will be having a closed session. It
19 might be at our lunchtime break or it might be right after
20 the 1:30 time certain, depending on how fast we go through
21 the agenda today. We had a very long day yesterday, so we
22 might move rather quickly today.

23 With that, we will turn it over. Anything,
24 Mr. Leary, that you have before we go to item nine and ten?

25 MR. LEARY: No.

1 BOARD CHAIR MOULTON PATTERSON: We will start the
2 day by saying the pledge of allegiance to the flag. Thank
3 you.

4 Ms. Nauman, No. 9 and ten.

5 MS. NAUMAN: Good morning. Julie Nauman with the
6 Permitting and Enforcement Division. Yesterday we presented
7 to you items nine and ten, which involve a scope of work to
8 perform some basic toxicology work in relationship to our
9 CIA sites, closed sites, abandoned sites, etcetera.

10 And during that discussion, there were some
11 questions raised about the contracting with OEHHA versus the
12 Department of Toxic Substance Control.

13 Since you took that break yesterday, I have had an
14 opportunity to talk with both OEHHA and the Department about
15 their respective areas of expertise in toxicology. And
16 based on that, in fact, I had \$200,000 available. And it
17 had always been our intent that the Board move forward with
18 the first hundred thousand, that we would come back prior to
19 June 30th in order to encumber the second 200,000 by close
20 of the fiscal year.

21 I would like to suggest and recommend that based
22 on the discussions I have had with them, that it is probably
23 the Board's best interest to maintain some flexibility in
24 working with both OEHHA and the Department.

25 So I would suggest at this point we move forward

1 with the items that you have before you, to put into an
2 interagency agreement with OEHHA a hundred thousand dollars
3 to do the work as described in the scope of work that we
4 described yesterday with the amended amendments that we
5 talked about that deleted the references to burn sites.
6 Because I think that's probably the area where we may be
7 able to take advantage of some of the toxicology expertise
8 with DTSC and have a little additional time. And we will
9 return to you prior to June 30th with a recommendation as to
10 how best to utilize that second 200,000.

11 Again, recommendation is to move forward with
12 OEHHA with the second hundred thousand -- for 100,000, and
13 the second hundred thousand we will be back with the
14 subsequent item.

15 BOARD CHAIR MOULTON PATTERSON: So we move forward
16 with these items just in amending them?

17 MS. NAUMAN: I would suggest that we amend the
18 scope, and I can read those back into the record. It is on
19 page 9-4, which is page 1 of attachment nine and the Roman
20 numeral two, subsection one, delete the reference to burn
21 sites. Delete item No. 2 entirely. And No. 3 end -- and
22 No. 3 with investigations have been conducted, period, and
23 strike the rest. And then the resolution, both resolution
24 should be amended to refer to 100,000 instead of \$200,000.

25 BOARD MEMBER JONES: Okay. One is staying -- go

1 through your scope again.

2 MS. NAUMAN: No. 1 in the scope would be review of
3 risk assessment reports done by consultant for CIA sites,
4 parens, equal disposal sites, etcetera, prepare a review
5 letter with comments on adequacy of reporting
6 recommendations, period.

7 BOARD MEMBER JONES: OEHHA is going to do that?

8 MS. NAUMAN: Yes. No. 2 is deleted in its
9 entirety.

10 BOARD MEMBER JONES: So there's not going to be a
11 work plan?

12 MS. NAUMAN: The idea was to have a risk
13 assessment and work plan for burn sites. And after I talked
14 with DTSC yesterday, they are strongly recommending not to
15 proceed with the boilerplate risk assessment work plan.
16 They feel that based on their experience to date with burn
17 sites, that each of them are so unique that they really are
18 advising against us moving forward with a boilerplate risk
19 assessment.

20 So it is really on the basis of that dialogue and
21 recommendation from DTSC that I am suggesting that we not
22 call out that specific piece of work. If there comes a time
23 when DTSC and the Waste Board and Water Board, probably
24 through the working group, determines that such a generic
25 boilerplate assessment work plan would be appropriate, then

1 we could always come back and amend the interagency
2 agreement with work to do that.

3 But until we are sure that we need that work, I
4 don't want to put it in the scope.

5 BOARD MEMBER JONES: I am going to go along with
6 this thing. But if we reinvent the wheel on every one of
7 these, all we do is dump money into an endless pit. It
8 seems to me that we need to have a matrix that gets
9 followed. If they don't have one, isn't there a benefit to
10 them and us that somebody develops a matrix for this?

11 MS. NAUMAN: Mr. Jones, when you talk about a
12 matrix.

13 BOARD MEMBER JONES: Well, boilerplate risk
14 assessment could be part of a matrix. I am having a hard
15 time understanding -- I am going to go along with this
16 thing, but I am having a hard time understanding why that's
17 not valuable. That should be a tool that could be used by
18 both agencies to assess risk at some point maybe a little
19 quicker and easier.

20 MS. NAUMAN: There may be some sites, or there may
21 be multiple work plans for different types of sites. But we
22 don't know that at this point. Again, we are still involved
23 in this interagency or interdepartmental working group, and
24 we are still kind of sorting through how best to approach
25 these burn sites, and they are just not there yet.

1 BOARD MEMBER JONES: Then what do you want to
2 scratch off on three?

3 MS. NAUMAN: No. 3 I want to strike out beginning
4 with the grounds, the entire section reads prepare risk
5 assessment reports and conjunction sites and base to field
6 investigations have been conducted.

7 In discussing with OEHHA, they really felt we were
8 going kind of beyond their normal scope and area of
9 expertise and talking about preparing reports with
10 recommendations for remedies. Scratch that and still have
11 the idea that they are looking at the reports.

12 BOARD MEMBER JONES: And four?

13 MS. NAUMAN: Four stays unchanged. And there are
14 no other changes in the scope.

15 BOARD CHAIR MOULTON PATTERSON: Mr. Medina?

16 BOARD MEMBER MEDINA: Madam Chair, if there are no
17 further questions or changes, I would like to move
18 resolution 2002-93 for 100,000 as amended.

19 BOARD CHAIR MOULTON PATTERSON: And I'll second
20 that. We have a motion by Mr. Medina seconded by Moulton
21 Patterson to approve resolution 2002-93 with the changes
22 read into the record by staff. And before we vote, Senator
23 Roberti is here. Senator, do you have any ex partes?

24 BOARD MEMBER ROBERTI: I am up to date, thank
25 you.

1 BOARD CHAIR MOULTON PATTERSON: Please call the
2 roll.

3 SECRETARY VILLA: Jones?

4 BOARD MEMBER JONES: Aye.

5 SECRETARY VILLA: Medina?

6 BOARD MEMBER MEDINA: Aye.

7 SECRETARY VILLA: Paparian?

8 BOARD MEMBER PAPARIAN: Aye.

9 SECRETARY VILLA: Roberti?

10 BOARD MEMBER ROBERTI: Aye.

11 SECRETARY VILLA: Moulton Patterson?

12 BOARD CHAIR MOULTON PATTERSON: Aye.

13 Okay. No. 10.

14 MS. NAUMAN: No. 10 would be the same changes that
15 we included in the scope.

16 BOARD CHAIR MOULTON PATTERSON: Mr. Medina?

17 BOARD MEMBER MEDINA: Move resolution of 2002-94,
18 incorporating the changes and the resolution as amended.

19 BOARD CHAIR MOULTON PATTERSON: I'll second that.
20 So we have a resolution by Mr. Medina seconded by Moulton
21 Patterson to approve resolution 2002-94.

22 BOARD MEMBER MEDINA: That's in the amount of
23 100,000?

24 BOARD CHAIR MOULTON PATTERSON: Right. With the
25 changes read into the record by Ms. Nauman.

1 Please call the roll.

2 SECRETARY VILLA: Jones?

3 BOARD MEMBER JONES: Aye.

4 SECRETARY VILLA: Medina?

5 BOARD MEMBER MEDINA: Aye.

6 SECRETARY VILLA: Paparian?

7 BOARD MEMBER PAPARIAN: Aye.

8 SECRETARY VILLA: Roberti?

9 BOARD MEMBER ROBERTI: Aye.

10 SECRETARY VILLA: Moulton Patterson?

11 BOARD CHAIR MOULTON PATTERSON: Aye.

12 Now we go to the executive administrative policy
13 part of our agenda. No. 25.

14 MS. JORDAN: I am Terry Jordan with the
15 Administration of Finance Division, and item 25 is
16 consideration of approval of the submission of the
17 California Integrated Waste Management Board Annual
18 Integrated Waste Management Report for the 2001 reporting
19 year as required by Public Resources Code Section 42926(a).

20 Andrew Hurst of the Administrative Services Branch
21 will present this item for you. Based upon the findings in
22 this report which Andrew will present to you, I would like
23 to commend all County ADA staff and Board staff to their
24 commitment to the waste reduction program and.

25 Although Andrew has been the Board's waste

1 reduction coordinator for over a year, this is his first
2 presentation. Currently he is acting as waste reduction
3 activities and is assisting Board Member Paparian with the
4 EMS steering committee as an ad hoc member. We are very
5 proud to have Andrew as part of the team. He has a wealth
6 of experience and enthusiasm. If only we had Andrew's
7 commitment with everybody in the state, just think of the
8 work we could do.

9 MR. HURST: Madam Chair, I am Andrew Hurst, the
10 Waste Management Board's waste reduction coordinator. I
11 would like to first thank the Board management of the
12 Administrative and Finance Division and my colleagues for
13 allowing me the opportunity to be the waste reduction
14 coordinator. Frankly, I can't remember having a job that
15 has been as much fun and rewarding, so thank you.

16 BOARD CHAIR MOULTON PATTERSON: I just want to say
17 that you have done a terrific job on this, and we really
18 appreciate it. This is a real, real model for the other
19 State agencies, and we really appreciate it, Andrew.

20 MR. HURST: Thank you. It has been a pleasure.
21 Staff is seeking your approval to submit our annual
22 integrated waste management report. The attachments to this
23 item reflect what will be entered upon your approval into
24 the State Agency and Organization Recycling Database or
25 SAORD. As required by statute, this information will be

1 submitted prior to April 2, 2002. I would like to point out
2 a few of the accomplishments that can be found in the
3 report, attachment 1-A.

4 It has been calculated that in 2001, 92.8 tons of
5 waste generation and diversion can be attributed to the
6 CIWMB. This equates to less than 1.5 pounds per person per
7 day. Of this total, about 38.2 tons of material was
8 recycled. Additionally it estimated our source reduction
9 accounted for 16.2 tons of diversion. And our disposal
10 amount of 28.4 tons of solid waste. This resulted in a
11 diversion rate of 58.7 percent for 2001.

12 As you can see on page 2 of the report, there are
13 significant differences between the amounts reported for
14 2001 and the amounts projected in our integrated waste
15 management plan developed in 2000. These can be attributed
16 to differences in data. The projections were calculated on
17 estimated generation rates. For the report actual rates
18 were available for the majority of the terms, and actual
19 generation weights and sample weights were used for others.

20 In this section, in the table, the information
21 printed in boldface and bracketed by parens is specific to
22 our operations but will not be represented in the SAORD.
23 However, the majority of the information in boldface is
24 covered in the narrative portion of Section 4 -- excuse me.
25 Part four on page 4 of the report.

1 It is important to note that our recycling notes
2 were below normal or below what we expected for January and
3 portions of February. This is due to the waste reduction
4 program and infrastructure not being fully implemented upon
5 moving into the building. However, I am very proud to
6 report that since the kickoff of the waste reduction program
7 in late March, our diversion rate has averaged 67 percent,
8 about what we projected for 2000 and for 2002.

9 A few of the activities that make up our waste
10 reduction program are duplex printing is default,
11 e-mail-based faxing capabilities, electronic distribution of
12 publications, like the Board agenda, internet-based phone
13 copies, single-sided greeting cards for reuse by St. Jude's
14 Branch for Children, reformatting the use of computer
15 diskettes. We are taking advantage of industry-sponsored
16 programs for tiebex envelopes and overhead transparencies,
17 and we are also utilizing the local remanufacturer of inkjet
18 and toner cartridges.

19 Staff is also participating in a building wide
20 collection of mixed paper, white paper. Janitorial staff
21 and building staff are implementing collections for bathroom
22 tissue and pallets.

23 Lastly, the desk side verma composting bins for
24 processing of food scraps were introduced into the building
25 late last year, and we have a waiting list of 100,000

1 wanting to get verma bins which are here. And when I am
2 done with this, I will get cracking on getting the worms
3 into the building.

4 To get a picture of what our diversion looks like,
5 the attachments 1-B showing the disposal and disbursements
6 percentages, and page 2 of that shows the diversion tonnages
7 which indicate the amount of each type -- each major type of
8 material that we are diverting.

9 I would like to follow up on a question that was
10 posed at the briefing. If I may paraphrase, it was asked
11 what our maximum diversion rate might be. This is a
12 question I often ponder, and it is difficult to give a
13 simple answer.

14 Actually, the simple answer is 100 percent or zero
15 waste is stated in goal seven of our strategic plan.
16 Getting to that point, however, is not that simple. Of
17 course we should strive for this goal, and more can be done
18 to get us closer to that point. Our waste reduction program
19 is an evolving system that is continued to adapt to
20 ever-changing systems and technologies. And I welcome input
21 from anyone who has ideas how we can improve upon our
22 program.

23 Actually, I have very high hopes for the efforts
24 to develop an environmental system for the building led by
25 Board Member Paparian, and we got an all-building e-mail

1 that gives us an opportunity to comment on that, and I
2 invite anyone who is listening out there on the internet to
3 go check out that site and give us your information. I
4 think this program has enormous opportunity to effect how
5 each of us views our relationship to the environment and
6 cause us to make wiser decisions when it comes to the
7 consumption of resources.

8 I am happy to answer any questions or provide any
9 clarification.

10 BOARD CHAIR MOULTON PATTERSON: Questions?
11 Mr. Paparian?

12 BOARD MEMBER PAPARIAN: Thank you, Madam Chair. I
13 think you said it a few minutes ago, but I am
14 extraordinarily pleased with the efforts that Andrew's been
15 involved with and staff here. I think we have a remarkable
16 program to deal with waste and source reduction in the
17 office environment. I am hoping that over time we'll be
18 able to commingle our efforts in a way that will be usable
19 by others in office environments throughout the state.

20 BOARD CHAIR MOULTON PATTERSON: Thank you.

21 BOARD MEMBER PAPARIAN: Good job, Andrew.

22 BOARD CHAIR MOULTON PATTERSON: Thank you,
23 Mr. Paparian, for your leadership and your staff's. Great
24 report. Mr. Simpson I'm sure will want to get this message
25 out and be a role model for others. So thank you very

1 much.

2 Mr. Jones?

3 BOARD MEMBER JONES: I'll move adoption -- we have
4 got to adopt this, right?

5 BOARD CHAIR MOULTON PATTERSON: Yes.

6 BOARD MEMBER JONES: I'll move adoption of
7 resolution 2002-59, consideration of approval of the
8 submission of the California Integrated Waste Management
9 Board's annual integrated waste management report for 2001
10 reporting year as required by PRC 42926(a).

11 BOARD MEMBER MEDINA: Second.

12 BOARD CHAIR MOULTON PATTERSON: We have a motion
13 by Mr. Jones seconded by Mr. Medina to approve resolution
14 2002-59.

15 Please call the roll.

16 SECRETARY VILLA: Jones?

17 BOARD MEMBER JONES: Aye.

18 SECRETARY VILLA: Medina?

19 BOARD MEMBER MEDINA: Aye.

20 SECRETARY VILLA: Paparian?

21 BOARD MEMBER PAPARIAN: Aye.

22 SECRETARY VILLA: Roberti?

23 BOARD MEMBER ROBERTI: Aye.

24 SECRETARY VILLA: Moulton Patterson?

25 BOARD CHAIR MOULTON PATTERSON: Aye. Thank you,

1 Mr. Hurst.

2 MS. JORDAN: Item No. 26 and 27 will be presented
3 by Frank Simpson.

4 MR. SIMPSON: Thank you, Madam Chair,
5 distinguished Board. Item 26 is a consideration of approval
6 of the 2001 annual report to the Legislature. This report
7 is mandated by Public Resources Code 4050, and it is due on
8 March 1st. The report is based on last year's
9 accomplishments and priorities, and is extremely
10 comprehensive, clearly outlining the Board's path over the
11 last year with critical links to the Board's strategic
12 plain. In an effort to move more electronically -- an
13 interesting side note for you. Senate Bill 1443 introduced
14 by Senator Rico Oller [phonetic] would require any State or
15 local agencies who are required to file reports to the
16 Legislature to submit them electronically.

17 So once again, the Integrated Waste Management
18 Board has set the standard for State agencies.

19 As in years past, this report will be placed on
20 our website after Board approval. We did have one comment
21 from Board Member Jones's office to place more emphasis on
22 diversion.

23 If you look through your draft copy, diversion is
24 not mentioned until about page 3. So with your agreement,
25 we'll lead with diversion. That concludes our

1 presentation. We'll be happy to take any questions.

2 BOARD CHAIR MOULTON PATTERSON: I just had a
3 couple of minor changes that were recommended. Page 3, the
4 last paragraph, these low-grade organic materials should be
5 replaced with these nonmarketable or low-grade materials.
6 Can we do that?

7 MR. SIMPSON: Yes, Madam Chair.

8 BOARD CHAIR MOULTON PATTERSON: And page 4, on the
9 last bullet, on the grant program, technically the 1.5
10 million is much more than a grant program. It also includes
11 various research and other pragmatic activities. Therefore,
12 my staff has recommended the word -- that the word "grant"
13 be deleted. Can we do that? Thank you.

14 Any other questions?

15 BOARD MEMBER MEDINA: I have some changes, Madam
16 Chair. On page 6, final paragraph after the word "fund,"
17 \$200,000 to fund, cross everything that follows that and
18 change that "to fund the development and implementation of a
19 program evaluation model through the use of standardized
20 guidelines."

21 BOARD CHAIR MOULTON PATTERSON: Any other
22 questions or changes, Mr. Paparian?

23 BOARD MEMBER PAPARIAN: Thank you, Madam Chair.
24 Couple things. On the item, the one that Mr. Medina just
25 read, I think we have an additional hundred thousand dollars

1 set aside besides the \$200,000 mentioned. This is an area
2 that I think will grab the attention of legislators. We
3 should be as accurate as possible.

4 I am wondering how difficult it would be to put
5 together a one-page summary or a couple pages of the grants
6 that we have given out to localities and others throughout
7 the state. I think a lot of folks would find that useful
8 and interesting information.

9 BOARD CHAIR MOULTON PATTERSON: I think that would
10 be a great suggestion. Couldn't we do that fairly easily?

11 MR. SIMPSON: Yes.

12 BOARD CHAIR MOULTON PATTERSON: Thank you.
13 Anything else?

14 BOARD MEMBER JONES: Madam Chair, I guess
15 everybody is comfortable with those changes, including
16 moving the diversion up from page 23 up a little closer?

17 BOARD CHAIR MOULTON PATTERSON: Yes, definitely.

18 BOARD MEMBER JONES: I am going to move adoption
19 of resolution 2002-86 with the changes, consideration of
20 approval of the 2001 annual report to the Legislature, and I
21 would say you guys did a great job. That's a great report,
22 and that's my motion.

23 BOARD CHAIR MOULTON PATTERSON: Thank you,
24 Mr. Jones and Mr. Medina. Motion by Mr. Jones seconded by
25 Mr. Medina to approve 2002-86. And I would like to comment

1 great job and thank you.

2 Please call the roll.

3 SECRETARY VILLA: Jones?

4 BOARD MEMBER JONES: Aye.

5 SECRETARY VILLA: Medina?

6 BOARD MEMBER MEDINA: Aye.

7 SECRETARY VILLA: Paparian?

8 BOARD MEMBER PAPARIAN: Aye.

9 SECRETARY VILLA: Roberti?

10 BOARD MEMBER ROBERTI: Aye.

11 SECRETARY VILLA: Moulton Patterson?

12 BOARD CHAIR MOULTON PATTERSON: Aye.

13 Item 27.

14 MR. SIMPSON: Item 27 is consideration of approval

15 of outreach program sponsorship contract concepts and

16 funding. Since 1990 the Board has approved sponsorship

17 arrangements for a wide variety of outreach activities

18 through contracts to fulfill its public awareness mandates.

19 At the December 2001 meeting in San Francisco, the

20 Board allocated \$100,000 from its IWMA for sponsorship.

21 Subsequently, the Board approved an additional \$75,000 from

22 the used oil account on December 19th.

23 In the following month the Office of Public

24 Affairs visited Board member offices. We collected

25 sponsorship concepts, and we retrieved several sponsorship

1 requests from our own files. We submitted that to the
2 Budget Committee on February 4th. At that time the budget
3 subcommittee prioritized the projects as they are submitted
4 in the agenda item.

5 Now, this item requests approval for sponsorship
6 contract concepts totaling \$174,000 to support more than a
7 dozen outreach efforts.

8 The current sponsorship contract concept process
9 is the procedure that has been in use here at the Board
10 since 1998. The process is very similar to the Board
11 consulting and professional services contract concept
12 process.

13 Again, Chris Peck and Roni Java are here, who have
14 extensive experience with sponsorship.

15 BOARD CHAIR MOULTON PATTERSON: Mr. Medina?

16 BOARD MEMBER MEDINA: I would like to move this
17 resolution 2002-87, consideration of approval of outreach
18 program sponsorship contract concepts funding and as 100,000
19 from the IWMA account and 75,000 from the used oil recycling
20 account.

21 BOARD CHAIR MOULTON PATTERSON: Motion by
22 Mr. Medina seconded by Mr. Jones to approve resolution
23 2002-87. And I might say that the Budget Subcommittee spent
24 a lot of time on this, and we think this is a good
25 recommendation.

1 Please call the roll.

2 SECRETARY VILLA: Jones?

3 BOARD MEMBER JONES: Aye.

4 SECRETARY VILLA: Medina?

5 BOARD MEMBER MEDINA: Aye.

6 SECRETARY VILLA: Paparian?

7 BOARD MEMBER PAPARIAN: Aye.

8 SECRETARY VILLA: Roberti?

9 BOARD MEMBER ROBERTI: Aye.

10 SECRETARY VILLA: Moulton Patterson?

11 BOARD CHAIR MOULTON PATTERSON: Aye.

12 That brings us to Waste Prevention and Market
13 Development, No. 28, Ms. Wohl.

14 MS. WOHL: Patty Wohl from the Waste Prevention
15 and Market Development Division. For fiscal year 2001-2002
16 the recycling market development program loan is budgeted to
17 fund \$10 million, and the entire fund is budgeted to fund \$2
18 million in new loans.

19 To date, the RMDZ total 1,532,120, which leaves
20 8,467,880 available for future loans. The tire fund has an
21 approved loan for \$100,000 with 1.9 million available for
22 future loans.

23 Today the Board will consider three loans for a
24 total amount of 2,281,750, the majority from the tire fund.
25 If these loans are approved, there will remain 8,086,130 in

1 the RMDZ loan fund, and the tire fund dollars will be fully
2 utilized.

3 Agenda item 28, consideration of approval of the
4 recycling market development revolving loan program
5 application for B.A.S. Recycling, Inc., will be presented by
6 Jim LaTanner.

7 MR. LaTANNER: Morning, Board members. Both
8 agenda items 28 and 29 are being funded from the tire fund.
9 Both involve us funding these for improvement. Under the
10 2001 September loan program eligibility, at least 5 percent
11 of the loan funds to approve this property would have to be
12 applied towards those cost-sustaining products.

13 Both of the applicants have been made aware of
14 this and have consented to that. Item 28 is a request in
15 the amount of 1,518,750 to purchase the equipment, provide
16 these old improvements and fund working capital. The
17 project is located in San Bernardino, California, which is
18 in the Agomanza Recycling Development Zone.

19 As a result of this project, the feedstock is
20 actually passenger tires from California upgrades from local
21 tire haulers, tire dealers and major tire cappers. The
22 B.A.S. process is to grind the tires to make crumb rubber
23 and rubber bumpers which is sold to construction companies,
24 rubber asphalt pavement, which is athletic playgrounds and
25 resurfacing.

1 With this loan, the increased diversion of
2 passenger tires would be 600,000 as projected, so the
3 company's annual diversion would be over 3 million per
4 year. Loan Committee met on February 14th and approved the
5 loan as presented without any changes.

6 Mary Quantz, the president of B.A.S., is here
7 should the Board have any questions. Staff recommends
8 approval, that the Board approve resolution No. 2002-71,
9 consideration of approval of the recycling market
10 development revolving loan program application for B.A.S.
11 Recycling, Inc.

12 BOARD CHAIR MOULTON PATTERSON: It is my
13 understanding besides diverting an additional 6,000 tons per
14 year of tires, it also creates ten new jobs; is that right?

15 MR. LaTANNER: Yes.

16 BOARD MEMBER JONES: I would like to approve
17 adoption of resolution 2002-71 for the approval of the
18 recycling market development revolving loan program
19 application for B.A.S. Recycling in the amount of
20 \$1,518,750.

21 BOARD MEMBER MEDINA: Second.

22 BOARD CHAIR MOULTON PATTERSON: Motion by
23 Mr. Jones, seconded by Mr. Medina to approve resolution
24 2002-71.

25 Call the roll.

1 SECRETARY VILLA: Jones?

2 BOARD MEMBER JONES: Aye.

3 SECRETARY VILLA: Medina?

4 BOARD MEMBER MEDINA: Aye.

5 SECRETARY VILLA: Paparian?

6 BOARD MEMBER PAPARIAN: Aye.

7 SECRETARY VILLA: Roberti?

8 BOARD MEMBER ROBERTI: Aye.

9 SECRETARY VILLA: Moulton Patterson?

10 BOARD CHAIR MOULTON PATTERSON: Aye.

11 No. 29.

12 MR. LaTANNER: Consideration of approval of the
13 recycling market development revolving loan program
14 application for U.S. Rubber Recycling, Inc. This has been
15 revised. Loan has been decreased from one million one to
16 700,000 to finance machinery, equipment, leasehold
17 improvements and working capital.

18 The project is located in Riverside, California,
19 which is in the Agomanza Recycling Market Development Zone.

20 This company, little bit different, takes the
21 crumb rubber, such as from B.A.S., and makes various
22 products out of it. The crumb rubbers are obtained from
23 various tire recyclers. The process is to purchase the
24 crumb rubber, manufacture it into tire tiles, such as door
25 mats, molded tiles, such as floor mats. And primarily this

1 project is for continuous-roll flooring, such as alternative
2 sports flooring.

3 End users are major customers, including
4 nationwide commercial flooring distributors and the
5 commercial flooring industry. Using the crumb rubber, this
6 transfers to the diversion of 100,000 passenger tire
7 equivalents. So annually the company would divert 300,000
8 tires a year on a projected basis.

9 Loan Committee met on February 19th and approved
10 the loan as presented by staff. Two representatives from
11 U.S. Rubber are in the audience. Richard Schneider, the
12 president, and David Star, should the Board have any
13 questions.

14 Staff recommend the Board approve the loan
15 contained in 2002-72 to U.S. Rubber Recycling in the amount
16 of 700,000. Any questions?

17 BOARD CHAIR MOULTON PATTERSON: Thank you.
18 Questions? Mr. Paparian?

19 BOARD MEMBER PAPARIAN: Thank you, Madam Chair. I
20 did raise some questions about this at the briefing
21 regarding the appropriateness of spending loan money on
22 marketing-related activities.

23 I subsequently met with the staff and was informed
24 that the criteria for tire-related loans is somewhat
25 different than the criteria for other loans in the RMDZ

1 program. And, in fact, it is appropriate and acceptable to
2 have marketing activities funded through the loan program if
3 it relates to a tire-related facility. So I felt that I had
4 those questions adequately answered, and I am now satisfied
5 with that.

6 BOARD CHAIR MOULTON PATTERSON: Thank you,
7 Mr. Paparian.

8 BOARD MEMBER JONES: Madam Chair, just briefly
9 before I make the motion, both of these companies have been
10 around, as the tire folks have worked hard to build this
11 industry. And it is nice seeing these kinds of loans. That
12 only means they got the ability to pay them back. So
13 obviously we are doing something right here.

14 I am going to move adoption of 2002-72 for the
15 approval of the recycling market development revolving loan
16 program application for U.S. Rubber Recycling, Inc., for the
17 total of \$700,000.

18 BOARD MEMBER MEDINA: Second the motion, Madam
19 Chair.

20 BOARD CHAIR MOULTON PATTERSON: We have a motion
21 by Mr. Jones seconded by Mr. Roberti. I was looking at
22 Senator Roberti, thinking of him, Mr. Medina.

23 Please call the roll.

24 SECRETARY VILLA: Jones?

25 BOARD MEMBER JONES: Aye.

1 SECRETARY VILLA: Medina?

2 BOARD MEMBER MEDINA: Aye.

3 SECRETARY VILLA: Paparian?

4 BOARD MEMBER PAPARIAN: Aye.

5 SECRETARY VILLA: Roberti?

6 BOARD MEMBER ROBERTI: Aye.

7 SECRETARY VILLA: Moulton Patterson?

8 BOARD CHAIR MOULTON PATTERSON: Aye. Item 30 --

9 BOARD MEMBER PAPARIAN: I think we are leaving the
10 tire items. Can I just make one comment? As I understand
11 it, we allocated \$2 million for tire-related loans, and that
12 we have exceeded that \$2 million and drawn some from the
13 regular RMDZ account.

14 MR. LaTANNER: Correct. With these two
15 applications we would use 319,000 of RMDZ funds to totally
16 fund the project, our motion of it.

17 BOARD MEMBER PAPARIAN: What I would like to
18 suggest is if we have tire funds to redirect later this
19 year, that we seriously consider redirecting tire funds to
20 backfill that money that was just talked about that would
21 then free up other moneys for other RMDZ non-tire
22 activities. I think the tire-related loans are great. But
23 I think that it would be appropriate for the tire funds to
24 be utilized for the RMDZ loans for the tire projects.

25 BOARD CHAIR MOULTON PATTERSON: Sounds great.

1 BOARD MEMBER JONES: I agree with you,
2 Mr. Paparian. Is there any kind of a banking problem with
3 using the two funds if we backfill at some point in the next
4 couple of months? Does that create any kind of a problem
5 for you guys?

6 MS. WOHL: No. No, because you just basically
7 transfer it over.

8 BOARD MEMBER JONES: Because we had some dollars
9 yesterday in a column that we didn't allocate all the way
10 out, and I think there is 300 or 400 grand that we had had
11 allocated.

12 MR. LaTANNER: I would just add that the portion
13 being funded out of RMDZ does match the original purpose of
14 the RMDZ funds.

15 BOARD CHAIR MOULTON PATTERSON: Thank you,
16 Mr. Jones, and thank you, Mr. LaTanner. Item No. 30.

17 MR. LaTANNER: Consideration of approval of the
18 recycling marked development revolving loan program
19 application for an individual, John V. Sleuter. This is for
20 63,000 to finance the purchase of a mobile grinder to
21 process various materials from construction sites.

22 The company is headquartered in Humboldt County
23 Recycling Market Development Zone. Mr. Sleuter is in the
24 construction industry. These comments are obtained from new
25 construction sites in Humboldt and Del Norte Counties.

1 Construction includes framing. The process -- the grinder
2 will pull items and shred previously separated construction
3 materials on-site. Material's basically 97 percent chips
4 and board, 3 percent bricks and cinder blocks are ground
5 into forms used for soil amendments mulch and based for dry
6 waste.

7 It will chop it to half-inch to the manufacturer
8 of compressed wood. Only unpainted and untreated wood would
9 be ground. The end product is sold to the construction site
10 as well as sold to the pressed wood manufacturer. This will
11 divert an additional 300 tons per year of construction
12 materials on-site.

13 Loan Committee met on February 14th and approved
14 the loan as submitted by staff. Therefore, staff recommends
15 approval, that the Board approve the loan contained in
16 resolution 2002-73 to John V. Sleuter in the amount of
17 63,000. Any questions?

18 BOARD CHAIR MOULTON PATTERSON: Mr. Jones?

19 BOARD MEMBER JONES: I'll move adoption of
20 2002-73, the approval of the recycling market development
21 revolving loan program application for John V. Sleuter in
22 the amount of \$63,000.

23 BOARD MEMBER MEDINA: Second the motion.

24 BOARD CHAIR MOULTON PATTERSON: We have a motion
25 by Mr. Jones, seconded by Mr. Medina to approve resolution

1 2002-73.

2 Please call the roll.

3 SECRETARY VILLA: Jones?

4 BOARD MEMBER JONES: Aye.

5 SECRETARY VILLA: Medina?

6 BOARD MEMBER MEDINA: Aye.

7 SECRETARY VILLA: Paparian?

8 BOARD MEMBER PAPARIAN: Aye.

9 SECRETARY VILLA: Roberti?

10 BOARD MEMBER ROBERTI: Aye.

11 SECRETARY VILLA: Moulton Patterson?

12 BOARD CHAIR MOULTON PATTERSON: Aye.

13 Agenda item 31.

14 MS. WOHL: Consideration of approval of RPPC

15 compliance agreements for compliance years 1997, 1998 and

16 1999, and John Nuffer will present.

17 MR. NUFFER: This is John Nuffer with the Plastics

18 Recycling Technology Section. This is another in our series

19 of agenda items in which we bring forth compliance

20 agreements for companies that were out of compliance with

21 the rigid plastic packaging container law in '97, '98 or

22 '99.

23 I would like to call your attention to three

24 companies, Henderson Diamond & Carbide, which is not selling

25 any products in California; Home Depot, which we are rolling

1 into the March items to give them more time; and Valley
2 Janitorial, which is in compliance currently. The motion we
3 have provided reflects those changes.

4 That concludes my presentation. If you have any
5 questions, I'll be happy to answer them.

6 BOARD CHAIR MOULTON PATTERSON: I see no
7 questions. Mr. Medina?

8 BOARD MEMBER MEDINA: Madam Chair, I would like to
9 move adoption of resolution numbers 2002-97 through 2002-104
10 and resolution numbers 2002-106, 2002-108, 2002-110, to
11 adopt for the companies listed in item 31 less the three
12 that were just mentioned, Henderson, Home Depot, and Valley
13 Janitorial.

14 BOARD CHAIR MOULTON PATTERSON: We have a motion
15 by Medina, seconded by Mr. Jones to approve 2002-97 which
16 are read into the record.

17 Please call the roll.

18 SECRETARY VILLA: Jones?

19 BOARD MEMBER JONES: Aye.

20 SECRETARY VILLA: Medina?

21 BOARD MEMBER MEDINA: Aye.

22 SECRETARY VILLA: Paparian?

23 BOARD MEMBER PAPARIAN: Aye.

24 SECRETARY VILLA: Roberti?

25 BOARD MEMBER ROBERTI: Aye.

1 SECRETARY VILLA: Moulton Patterson?

2 BOARD CHAIR MOULTON PATTERSON: Aye.

3 Item 32.

4 MS. WOHL: Consideration of approval of the third
5 cycle reuse assistance grant awards, fiscal year 2001-2002,
6 funds authorized via fiscal year 2000-2001, and Sarah Weimer
7 will present.

8 MS. WEIMER: Good morning. Sarah Weimer with the
9 Reuse Assistance Grant Program and the Waste Prevention
10 Market Development Department.

11 This is for approval of the third cycle reuse
12 assistance grant awards for the fiscal year 2001-2002.

13 At the August 14th and 15th, 2001, meeting the
14 Board adopted the scoring criteria and the process for
15 evaluating the cycling three grant applications. The notice
16 of funding availability was mailed on August 23rd, 2001, to
17 over 1800 enlisted parties as well as available on our
18 website.

19 Staff received a total of 20 grant applications by
20 the final filing date of November 30th, 2001. Eight grant
21 proposals met the minimum scoring requirement. Staff is
22 recommending the six highest scored proposals for funding.
23 More than the available \$250,000 would be necessary to fund
24 the top six scoring projects. Therefore, staff recommends
25 fully funding the five top scoring projects and partially

1 funding the sixth.

2 Staff contacted the applicant recommended for
3 partial funding, and this confirmed they can proceed with
4 the proposal project with the proposed funding.

5 At this time I would like to invite any questions
6 or comments you may have.

7 BOARD CHAIR MOULTON PATTERSON: Mr. Medina?

8 BOARD MEMBER MEDINA: Madam Chair, if there are no
9 questions regarding this, I would like to move resolution
10 2002-76, consideration of approval of third cycle reuse
11 assistance grant award, fiscal year 2001-2002, funds
12 authorized by fiscal year 2000-2001, BCP No. 5, full funding
13 for the top five and partial funding for six.

14 BOARD MEMBER ROBERTI: Just very briefly on this
15 item, I note that this is a program that was under
16 subscribed until recently. So I would like to commend the
17 staff for getting it ahead of the curve, so to speak.

18 And secondly, to say that this indicates to me
19 that we can get programs that are under subscribed to be
20 actually over subscribed and get more applicants in. It is
21 just the way of doing it.

22 In line with some of the comments that I guess
23 yesterday we had some programs that we are having trouble
24 getting Southern California interested in. So this is just
25 an example of a place where staff has brought about a very

1 positive result.

2 BOARD CHAIR MOULTON PATTERSON: Thank you,
3 Senator. Mr. Jones said he would second that. I did have a
4 question. Will you be bringing back the passing scores for
5 possible reallocation of the RMDZ money?

6 MS. WEIMER: I will be.

7 BOARD CHAIR MOULTON PATTERSON: The ones that were
8 remaining for future consideration. We have a motion by
9 Mr. Medina and second by Jones to approve resolution
10 2002-76.

11 Please call the roll.

12 SECRETARY VILLA: Jones?

13 BOARD MEMBER JONES: Aye.

14 SECRETARY VILLA: Medina?

15 BOARD MEMBER MEDINA: Aye.

16 SECRETARY VILLA: Paparian?

17 BOARD MEMBER PAPARIAN: Aye.

18 SECRETARY VILLA: Roberti?

19 BOARD MEMBER ROBERTI: Aye.

20 SECRETARY VILLA: Moulton Patterson?

21 BOARD CHAIR MOULTON PATTERSON: Aye.

22 No. 32 -- agenda item 33.

23 MS. WOHL: Consideration of approval of contractor
24 for the California product stewardship initiative support
25 project, fiscal year 2001-2002, contract concept No. 38.

1 And Jeff Hunts will present.

2 MR. HUNTS: Good morning, Madam Chair. This item
3 is before the Board to secure approval of the proposal
4 contractor, provide support to the Board's near term
5 involvement in the national electronic product stewardship
6 initiative.

7 This effort would solicit input from both the
8 government and State agency stakeholders relating to their
9 cost and concerns and assemble this information in a form to
10 be used during the NEPSI dialogue.

11 At its October 23rd meeting last year, the Board
12 approved the allocation of up to \$54,000 from the IWMA to
13 fund contract concept 38, the California stewardship.

14 At the November 13th meeting the Board approved
15 the scope of work for this project, and staff immediately
16 advertised a request for proposal. The proposals were due
17 to the Board's contract office on January 11th of this
18 year. Three proposals were received by that deadline. A
19 three-person panel consisting of staff and waste prevention
20 market development division evaluated the proposals. One
21 proposal received a qualifying score of 85 or above. The
22 cost proposal or bid of that qualifying prospective
23 contractor was open on February 1st at a public notice,
24 intent to award was posted until February 8th. The bid
25 amount was \$43,807.50 and was submitted by Boison and

1 Associates.

2 Staff recommends that the Board approve Boison and
3 Associates as contractor for this project and adopt
4 resolution No. 2002-79. I would be happy to field any
5 questions.

6 BOARD CHAIR MOULTON PATTERSON: Mr. Paparian?

7 BOARD MEMBER PAPARIAN: Thank you, Madam Chair. I
8 want to thank Jeff Hunts and his staff for their
9 extraordinary effort to get this contract kind of out the
10 door and get the process taken care of as quickly as
11 possible. You did a remarkable job in that. If there's no
12 questions, I would like to move the item.

13 BOARD MEMBER JONES: Thank you. Thank you,
14 Mr. Hunts.

15 BOARD MEMBER PAPARIAN: I will move resolution of
16 2002-79, approval of contractor for the California product
17 stewardship initiative support project.

18 BOARD MEMBER MEDINA: Second.

19 BOARD CHAIR MOULTON PATTERSON: We have a motion
20 by Mr. Paparian and second by Mr. Medina to approve
21 resolution 2002-79.

22 Please call the roll.

23 SECRETARY VILLA: Jones?

24 BOARD MEMBER JONES: Aye.

25 SECRETARY VILLA: Medina?

1 BOARD MEMBER MEDINA: Aye.

2 SECRETARY VILLA: Paparian?

3 BOARD MEMBER PAPARIAN: Aye.

4 SECRETARY VILLA: Roberti?

5 BOARD MEMBER ROBERTI: Aye.

6 SECRETARY VILLA: Moulton Patterson?

7 BOARD CHAIR MOULTON PATTERSON: Aye.

8 Item 34 and 35 were on consent. Item 36.

9 MS. WOHL: Consideration of approval of the
10 California Air Resources Board as contractor for 2002
11 electric mulching mower rebates contract, fiscal year
12 2001-2002. And Kevin Taylor will present.

13 MR. TAYLOR: Kevin Taylor of the Waste Prevention
14 and Market Development Division. This item requests that
15 the Board consider and approve the California Air Resources
16 Board as the contractor to implement the 2002 electric
17 mulching mower rebates.

18 At its October 2001 meeting the Board approved
19 \$25,000 from the IWMA account to fund the electric mulching
20 mower rebates in 2002, and at its November meeting another
21 25,000 in used oil recycling funds to fund the electric
22 mulching mower rebate.

23 As you've probably heard, 40 percent of the waste
24 disposed in California landfills is comprised of organic
25 materials. Significant amounts of grass clippings are

1 generated in urban landscapes, and grass recycling is
2 extremely effective in reducing the generation of these
3 materials in urban areas.

4 We also believe that the electric mulching program
5 helped divert grass clippings and promote the benefits of
6 grass recycling. The Board has promoted grass recycling
7 campaigns in '99 and 2000, and it was an important component
8 of these programs.

9 The electric mulching mower rebate program also
10 recycle used oil, and they do not require motor oil, thus
11 eliminating the need to recycle oil for lawn mowers. This
12 provides an excellent opportunity for the Board to address
13 cross-media issues in a highly visible area.

14 Staff has proposed a partnership with the Air
15 Resources Board, the jurisdictions in the San Francisco Bay
16 Area, Alameda, Contra Costa, Napa, Santa Clara and Sonoma
17 valleys, the central valley, San Joaquin, Merced and Tulare
18 counties as well as the cities of Stockton, Merced and
19 Visalia, as well as San Diego County.

20 The staff believes that the Air Resources Board is
21 uniquely qualified to implement this contract in their
22 experience in coordinating electric mulching mower
23 campaigns, their relationship with air pollution control
24 districts, their expertise in the power equipment field, and
25 importantly the fact that they will not charge the Board an

1 administrative cost to implement the contract, zero
2 overhead.

3 Staff recommends that the Board approve the
4 California Air Resources Board as the contractor to
5 implement the 2002 electric mulching mower rebate and adopt
6 resolution No. 2002-83.

7 BOARD CHAIR MOULTON PATTERSON: Thank you. This
8 is a great cross-media project. It is nice to see that we
9 are working with OEHHA, DTSC and the Air Resources Board on
10 this meeting, and Secretary Hickcock should be proud.

11 BOARD MEMBER ROBERTI: First I am going to support
12 the agenda item. And the last time I checked the mulching
13 mower rebate program was a couple years ago, and I was told
14 that the program is much more successful in Sacramento
15 County, for example, than Los Angeles or Orange, more due to
16 cultural habits than any problem with our staff.

17 And I am wondering what can be done or do we have
18 any educational program so that people in Los Angeles and
19 Orange County and related Southern California areas -- I
20 noted that San Diego is on board now -- begin to use
21 mulching mowers. I tend to think one of the problems is
22 that in Los Angeles, I suspect Orange as well, people hire
23 gardeners, and the gardeners do it their way.

24 There must be some way so that green waste is such
25 an enormous part of the waste stream that some of the moneys

1 that we use ought to be used for education or let people
2 know that the program's around. I don't know the numbers I
3 heard -- this was a couple years ago -- more mulching mowers
4 were sold in Sacramento than LA and Orange combined. It was
5 some utterly staggering number.

6 I am not quarreling with the program. I think it
7 is fine. There must be some education program.

8 MR. TAYLOR: I know that we had given seed money
9 to both Los Angeles and Orange County. I am not sure what's
10 happening in Los Angeles now, but in Orange they are
11 proceeding on with their programs that we funded, and they
12 are continually educating, mostly commercial landscapers.

13 They have developed quite a few materials that we
14 are actually using in our programs also. So they are still
15 moving ahead with their programs. I think they just feel
16 better that they are doing their own thing.

17 BOARD MEMBER ROBERTI: I would hope maybe the
18 staff would come back to us with maybe some suggestions on
19 how we begin to culture some parts of Southern California,
20 the gardener industry, into using mulching mowers.

21 BOARD MEMBER JONES: Do we have any of the
22 literature in Spanish?

23 MR. TAYLOR: I think so. In fact, some of my
24 staff, the reason I am here is they are down in the show in
25 Long Beach promoting a lot of the things that we are doing

1 also, a lot of commercial landscape.

2 BOARD MEMBER ROBERTI: I tend to think this is a
3 wealthy problem rather than an immigrant problem where so
4 many of the people just hire out.

5 BOARD MEMBER JONES: But many of the gardeners are
6 Hispanic.

7 BOARD MEMBER ROBERTI: That's true.

8 MS. WOHL: The other thing that you may remember,
9 you approved at, I believe, the last Board meeting was the
10 sustainable landscaping curriculum. So what we are
11 continuing to do is get these kinds of habits built into the
12 practice of the people who get the degrees who go out and do
13 this work.

14 So I think once we get that package together, we
15 will go to a lot of the schools that teach this type of
16 thing and try to incorporate it into the basic continuing
17 education so that we can really promote it to, like you
18 said, the wealthy people who are hiring them.

19 BOARD MEMBER ROBERTI: The Chair is right. They
20 often will hire people who do not speak English. It takes
21 some education.

22 BOARD CHAIR MOULTON PATTERSON: Thank you,
23 Senator. We do have a speaker before we move this item.
24 Mr. Mohajer, LA County. Morning, Mr. Mohajer.

25 MR. MOHAJER: Good morning, Madam Chair, members

1 of the Board.

2 In response to Senator Roberti, we do have the
3 electric mulching program and being conducted with the City
4 of LA and few other cities. I would be more than happy to
5 work with Board staff to provide them with the information
6 that we have and whatever we can do together to further
7 enhance the program. I can't give you the statistical data
8 because I am not prepared.

9 BOARD MEMBER ROBERTI: I thank you for the
10 observation. I think it is something we should do with the
11 local agencies as well. What I think we are faced with here
12 is a cultural pattern that's going to take a lot of joint
13 work to get a change.

14 MR. MOHAJER: It is, but the Senator is, it is
15 such a large area. So when you look at the quantity that's
16 being diverted, that's where you see the differences over
17 here that is being diverted. But the program is in
18 existence. We have been doing it now for approximately four
19 years or so. Thank you.

20 BOARD CHAIR MOULTON PATTERSON: Thank you.

21 BOARD MEMBER JONES: Before I make the motion, I
22 don't know, were you done, Mr. Mohajer?

23 MR. MOHAJER: Yes.

24 BOARD MEMBER JONES: The program started in 1997,
25 and it was this Board, it was actually this Board member

1 that talked with Drew Sohms from the City of LA who said he
2 had a real problem. We had partnerships with Honda, all the
3 major manufacturers, Briggs and Stratton, the Airborne,
4 South Coast Air District. The oil companies went nuts
5 because we used -- they didn't go nuts, but we said this has
6 got to be an oil program because we are eliminating oil.

7 So it was a turn-in program where they would turn
8 in a gas-powered lawn mower and get an electric or a rebate
9 to buy an electric mulching lawn mower. City of LA, Orange
10 County and the City put together, I think, these sites.

11 At the end of that Trevor O'Shaunesey ran it with
12 Mel -- Mel Reese, and they took it over. But I think it is
13 important that when Kevin's staff gets back they can give
14 you some information on that because that was the foundation
15 of this program and they identified, fortunately or
16 unfortunately, that it was the commercial gardening arena
17 that they really had to attack. Because people that came in
18 just didn't have that, and it was actually the commercial
19 mowers or the commercial landscapers that wanted to take
20 advantage of the mulching lawn mowers. Because we found out
21 through surveys that most of them were actually doing
22 mulching as opposed to hauling away all those yard
23 clippings.

24 So we got a lot out of it, and there's some
25 information of this Board that they can share with the

1 members to bring it to light.

2 And with that, I am going to move adoption of
3 2002-83, the consideration of approval of the California Air
4 Resources Board as contractor for the 2002 electric mulching
5 mower rebate, contract concept No. 42.

6 MS. WOHL: The administration brought to my
7 attention that there's no dollar amount in the resolution,
8 so can we add a whereas that states 50,000.

9 BOARD MEMBER JONES: Add a whereas 50,000, 25 and
10 25 from wherever you're pulling.

11 BOARD MEMBER MEDINA: Second.

12 BOARD CHAIR MOULTON PATTERSON: We have a motion
13 by Mr. Jones seconded by Medina to approve resolution
14 2002-83 with the whereas read in by Ms. Wohl, \$50,000.

15 And please call the roll.

16 SECRETARY VILLA: Jones?

17 BOARD MEMBER JONES: Aye.

18 SECRETARY VILLA: Medina?

19 BOARD MEMBER MEDINA: Aye.

20 SECRETARY VILLA: Paparian?

21 BOARD MEMBER PAPARIAN: Aye.

22 SECRETARY VILLA: Roberti?

23 BOARD MEMBER ROBERTI: Aye.

24 SECRETARY VILLA: Moulton Patterson?

25 BOARD CHAIR MOULTON PATTERSON: Aye.

1 Item 37 was approved on consent. Item 38.

2 MS. WOHL: Consideration of approval of California
3 State University, Sacramento, as contractor for the
4 statewide food residuals diversion summit, contract concept
5 No. 23. And Kevin Taylor will also present.

6 MR. TAYLOR: Good morning, Madam Chair. My name
7 is still Kevin Taylor with the Waste Prevention and Market
8 Development Division. As the contractor for the statewide
9 food residuals diversion summit at the October 2001 Board
10 meeting the Board approved expenditures of \$50,000 from the
11 integrated waste management account. This was contract
12 concept 23. It was fiscal year 2001-2002 consulting
13 services to fund this program.

14 As you may know, an estimated 16 percent of
15 California's waste stream is food residuals, and yet very
16 few jurisdictions develop programs for food residuals. The
17 Summit will allow major stakeholders that will and the means
18 to overcome those barriers. The summit will also allow
19 vendors to share methods and technologies available with the
20 food residuals.

21 Unfortunately staff does not have the resources
22 and technical expertise to coordinate a full multi-day
23 workshop of this scale, so we are here to propose a contract
24 with California State University, Sacramento, Conference and
25 Training Services. They are uniquely qualified to implement

1 this contract because of their extensive experience in
2 coordinating these types of events.

3 In fact, they are very familiar with the venues in
4 the Sacramento area. The contractor has handled the Board's
5 technology forum, which was a similar event and very
6 successful. They have indicated they are willing to work
7 and able to work with staff. And the organics material
8 staff has had past experience with this contractor and has
9 been very positive, and they feel very good about that.

10 So the staff recommends the Board approve Sac
11 State's Training and Conference Services as the contractor
12 to handle logistics of the statewide food residuals summit.

13 BOARD CHAIR MOULTON PATTERSON: Thank you.
14 Mr. Medina?

15 BOARD MEMBER MEDINA: Madam Chair, I would like to
16 move resolution 2002-85, consideration of approval of
17 California State University, Sacramento, for the California
18 statewide food diversion Summit for 2001, concept 23 in the
19 amount of 50,000 from the IWMA account.

20 BOARD CHAIR MOULTON PATTERSON: We have a motion
21 by Medina seconded by Jones to approve resolution 2002-85.

22 Please call the roll.

23 SECRETARY VILLA: Jones?

24 BOARD MEMBER JONES: Aye.

25 SECRETARY VILLA: Medina?

1 BOARD MEMBER MEDINA: Aye.

2 SECRETARY VILLA: Paparian?

3 BOARD MEMBER PAPARIAN: Aye.

4 SECRETARY VILLA: Roberti?

5 BOARD MEMBER ROBERTI: Aye.

6 SECRETARY VILLA: Moulton Patterson?

7 BOARD CHAIR MOULTON PATTERSON: Aye.

8 No. 39 was approved on consent. No. 40.

9 MS. WOHL: 40, consideration of award of
10 California State University, Sacramento, foundation as
11 contractor for 2002 conversion technology workshops and
12 symposia, fiscal year 2001-02. And Steve Storelli will
13 present.

14 MR. STORELLI: This item requests your
15 consideration and award and an interagency agreement with
16 California State University, Sacramento, for the amount of
17 \$35,000 for conversion technology and environmental symposia
18 workshops.

19 At the 2001 Board meeting staff approved contract
20 concept 22 regarding conversion technologies for 75,000.
21 This scope of work would use 35,000 of that amount. Staff
22 has worked with CSUS to develop a scope of work that will
23 facilitate four symposia and workshops. Two of the
24 workshops will piggyback large conferences, the CRRA
25 conference and the SWNA conference.

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

1 Two other workshops will be held, one in Northern
2 and the other in Southern California. The contractor will
3 assist Board staff in planning, organizing staff and funding
4 the symposium and workshops. This includes securing
5 facilities, inviting speakers, developing brochures and
6 paying for facility rental.

7 Staff requests the Board approve option No. 1 and
8 adopt resolution 2002-78. This concludes my overview. I am
9 open to questions.

10 BOARD CHAIR MOULTON PATTERSON: Mr. Medina?

11 BOARD MEMBER MEDINA: Madam Chair, I would like to
12 move 2002-78, the contractor for 2002 conversion
13 technologies workshops and symposia, fiscal year 2001-2002,
14 contract concept No. 22 in the amount of \$35,000.

15 BOARD MEMBER JONES: Second.

16 BOARD CHAIR MOULTON PATTERSON: We have a motion
17 by Mr. Medina seconded by Mr. Jones to approve resolution
18 2002-78.

19 Call the roll.

20 SECRETARY VILLA: Jones?

21 BOARD MEMBER JONES: Aye.

22 SECRETARY VILLA: Medina?

23 BOARD MEMBER MEDINA: Aye.

24 SECRETARY VILLA: Paparian?

25 BOARD MEMBER PAPARIAN: Aye.

1 SECRETARY VILLA: Roberti?

2 BOARD MEMBER ROBERTI: Aye.

3 SECRETARY VILLA: Moulton Patterson?

4 BOARD CHAIR MOULTON PATTERSON: Aye. Thank you
5 very much. Item 41.

6 MS. WOHL: It is time certain at 1:30 today.

7 BOARD CHAIR MOULTON PATTERSON: Did we miss a
8 speaker? Yes, item 41 is time certain at 1:30 today. We
9 will now take a short break before we go to Diversion,
10 Planning and Local Assistance.

11 (Recess was taken.)

12 BOARD CHAIR MOULTON PATTERSON: On ex partes I
13 just spoke to Christina Haney, California Association of
14 Professional Sciences. Mr. Medina?

15 BOARD MEMBER MEDINA: Madam Chair, same ex parte.

16 BOARD CHAIR MOULTON PATTERSON: Mr. Paparian?

17 BOARD MEMBER PAPARIAN: Thank you. I also spoke
18 with Christina Haney of CAPS regarding items 42 and 43.

19 BOARD CHAIR MOULTON PATTERSON: Senator Roberti?

20 BOARD MEMBER ROBERTI: Sure. I spoke with
21 Christina Haney regarding items 42 and 43, of the California
22 Association of Professional Sciences.

23 BOARD CHAIR MOULTON PATTERSON: We are going to
24 Diversion, Planning and Local Assistance, which will take us
25 to 42 and 43. You can certainly go ahead and give your

1 presentation if you'd like, and we can hear from Ms. Haney.
2 But if there's a problem, it would be my intention to pull
3 these items and try to work it out, Mr. Schiavo.

4 MR. SCHIAVO: Yeah, I would like to go ahead and
5 make the presentation. Because the focus of this contract
6 is the statistical portion of the contract and not the
7 audits. The audits are an important factor in completing
8 the statistics, but our staff are going to do a big bulk of
9 the audits, but it will come upon the contractor to be out
10 there and understand the audit performance.

11 BOARD CHAIR MOULTON PATTERSON: Go ahead with your
12 presentation.

13 MR. SCHIAVO: Pat Schiavo, and item No. 42 is
14 consideration of approval of redirection of funds, the
15 contract concept and scope of work to review audit
16 methodologies for generation studies and to develop
17 analytical audit tools. This is fiscal year 1999-2000 and
18 fiscal year 2001-02. And this presentation will be
19 performed by Marshalle Graham.

20 MR. GRAHAM: Agenda item 42 requests the Board to
21 consider approval of the redirection of funds, the proposed
22 contract concept and scope of work to contract for the
23 development of a standardized methodology to verify
24 diversion data supported in studies by State jurisdictions,
25 State agencies and large State facilities.

1 This large contract will provide contract
2 expertise and studies submitted for Board review and
3 approval. The focus of this project is on improving methods
4 of selecting, tracking, analyzing and verifying the
5 diversion estimates reported in generation studies being
6 submitted by jurisdictions, State agencies and large State
7 facilities.

8 Board staff have already developed a basic
9 verification process. However, there is a need for specific
10 expertise in designing a standardized approach to these
11 verification audits that includes a more detailed
12 statistical analysis of trends and data parameters.

13 With respect to the specific tasks, the contractor
14 will perform the proposal contract consent and scope of
15 work. The contractor will conduct, with Board staff,
16 verification audits of diversion data submitted in
17 generation studies of a sample of jurisdictions, State
18 agencies and large State facilities, and as needed, make
19 recommendations as to how these study methodologies can be
20 corrected, changed or otherwise improved to provide accurate
21 and reliable results.

22 The project consultant will also apply a systems
23 approach to the verification process and data to develop a
24 standardized methodology for conducting these on-site
25 verification of these reported diversion activities,

1 including specific analytical tools to compare and verify
2 conversion factors and to establish data parameters for the
3 reported diversion data.

4 Additionally, the project consultant will provide
5 training to Board staff on the newly-developed standardized
6 verification process and these corresponding tools. Total
7 cost for the project is \$150,000.

8 In order to execute the proposed contract concept
9 and scope of work, Board staff are recommending the
10 redirection of funds in the amount of \$50,000 from funds
11 approved from contract concept No. 6, fiscal year 1999-2000,
12 for the AB 75 State agencies award, waste reduction award
13 program, and a hundred thousand dollars from funds approved
14 for contract concept No. 4, fiscal year 2001-02, for food
15 scrap diversion at high-volume sites.

16 Lastly, Board staff did present an overview of the
17 proposed funding redirection to the Board's Budget
18 Subcommittee at its February 4th, 2002, meeting. This does
19 conclude my presentation, and I would be happy to address
20 any questions.

21 BOARD CHAIR MOULTON PATTERSON: Thank you.

22 BOARD MEMBER MEDINA: Madam Chair, I would like to
23 pull this item for further discussion.

24 BOARD CHAIR MOULTON PATTERSON: Mr. Paparian?

25 BOARD MEMBER PAPARIAN: Yeah, I think more

1 specifically, I think the union representative from CAPS has
2 raised some concerns, and I want to make sure that our
3 representatives get together with CAPS to assure that issues
4 are understood and hopefully dealt with.

5 One other thing, I don't want to blow this out of
6 proportion, but perhaps Mr. Leary should just try to make
7 sure that our lines of communications with our unions are as
8 open as they should be.

9 BOARD CHAIR MOULTON PATTERSON: Okay. Thank you.
10 So we are going to pull 42 and 43, it looks like.
11 Ms. Haney, did you wish to speak or can you just get
12 together with the appropriate parties?

13 Okay. Before we proceed, Mr. Jones, did you have
14 any ex partes?

15 BOARD MEMBER JONES: With Larry Sweetzer on the
16 load checking training that he's offering up and down the
17 state that I am hearing good reviews about.

18 BOARD CHAIR MOULTON PATTERSON: Thank you. So 42
19 and 43 are -- do we say pulled or continued?

20 MS. TOBIAS: If you would like to continue them to
21 a certain date, then they would already be noticed. If you
22 continue them, then you pick a notice. If they are pulled,
23 then you have to renotece.

24 BOARD CHAIR MOULTON PATTERSON: Let's pull them.

25 We had another speaker. I think it might be

1 irrelevant since they are pulled. But Mark White, did you
2 wish to speak quickly? Okay. Thank you. That brings us to
3 No. 44.

4 MR. SCHIAVO: Item No. 44 was pulled.

5 BOARD CHAIR MOULTON PATTERSON: I'm sorry. That
6 was pulled. Thank you. Thank you. No. 45.

7 MR. SCHIAVO: Item No. 45 is staff's
8 recommendation regarding late source reduction and recycling
9 element, household hazardous waste element and non-disposal
10 facility element submittals for newly-incorporated cities.
11 And Catherine Cardozo will present.

12 MS. CARDOZO: Good morning. The purpose of this
13 item is to apprise the Board of the status of the current
14 newly-appropriated cities and to seek approval on staff's
15 proposal to apply to newly-incorporated cities the same
16 stepwise enforcement approach adopted for existing
17 jurisdictions for ensuring their compliance with AB 939.

18 Newly-incorporated cities have the same
19 requirements to apply with AB 939 as cities that were
20 already incorporated before 1990. Public Resources Code, or
21 PRC Section 41791.5(b) directs newly-incorporated cities to
22 submit to the Board within 18 months of incorporation the
23 planning documents required in AB 939. That is a source
24 reduction and recycling element or SRRE, a household
25 hazardous waste element or HHWE, and a non-disposal facility

1 element or NDFE.

2 To ensure that existing jurisdictions complied
3 with the planning requirements of AB 939, the Board
4 previously adopted stepwise compliance procedures that
5 include sending a letter to a delinquent city to notify it
6 of the Board's intent to take enforcement action and
7 requesting a compliance schedule for committing the
8 documents, taking this compliance schedule to the Board for
9 approval and subsequently monitoring the city's progress and
10 regularly updating the Board on that progress.

11 Lastly, if the compliance schedule is not met,
12 holding a hearing where the Board considers levying civil
13 penalties against the city until the documents are
14 submitted.

15 There are currently four newly-incorporated cities
16 that must submit these planning documents to the Board.
17 Three of the cities are past due. Those are the Cities of
18 Oakley in Contra Costa County, Rancho Santa Margarita in
19 Orange County, and Elk Grove in Sacramento County.

20 Staff has been in communication with each of the
21 current newly-incorporated cities notifying them of the AB
22 939 obligations, offering assistance and guidance and
23 keeping track of their progress.

24 If the Board approves applying the stepwise
25 approach to newly-incorporated cities, staff's next step

1 would be to contact each of these jurisdictions, develop
2 compliance schedules and bring the schedules back to the
3 Board for approval.

4 Before I conclude, I need to point out that there
5 is an error in the agenda item in the date of Rancho Santa
6 Margarita's incorporation.

7 BOARD MEMBER ROBERTI: Where is Rancho Santa
8 Margarita?

9 BOARD CHAIR MOULTON PATTERSON: Orange County.

10 MS. CARDOZO: They were actually incorporated
11 January 1 of 2000 not March of '99, and their due dates for
12 the documents was then July 1, 2001. That concludes my
13 presentation. Are there any questions?

14 BOARD CHAIR MOULTON PATTERSON: Any questions,
15 Board members?

16 BOARD MEMBER JONES: I'll move staff's
17 recommendation for resolution 2002-68, consideration of the
18 recommendation regarding late source reduction and recycling
19 elements, household hazardous waste element, non-disposal
20 facilities element submittals from newly-incorporated
21 cities.

22 BOARD MEMBER MEDINA: Second.

23 BOARD CHAIR MOULTON PATTERSON: We have a motion
24 by Mr. Jones seconded by Mr. Medina to approve resolution
25 2002-68 with the options staff's recommending.

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

1 Please call the roll.

2 SECRETARY VILLA: Jones?

3 BOARD MEMBER JONES: Aye.

4 SECRETARY VILLA: Medina?

5 BOARD MEMBER MEDINA: Aye.

6 SECRETARY VILLA: Paparian?

7 BOARD MEMBER PAPARIAN: Aye.

8 SECRETARY VILLA: Roberti?

9 BOARD MEMBER ROBERTI: Aye.

10 SECRETARY VILLA: Moulton Patterson?

11 BOARD CHAIR MOULTON PATTERSON: Aye.

12 No. 46.

13 MR. SCHIAVO: Item No. 46 is consideration of
14 approval of the work plan for implementing Board adopted SB
15 2202 recommendations. And this will be presented by
16 Lorraine Van Kekerix.

17 MS. VAN KEKERIX: The Board has been hearing about
18 SB 2202 requirements in our report for about a year now.
19 Board was required to do a report to the Legislature. And
20 as one of the follow-up steps, we were to come back to the
21 Board with a proposal work plan to implement the
22 recommendations in the report.

23 The report, as I said, you have heard about a
24 number of times. The report covered the entire diversion
25 rate measurement system and recommendation for improvement

1 and was approved by the Board on November 13th and submitted
2 to Cal/EPA for review and for reading to the legislature.

3 Within the report there was some broad themes in
4 the recommendations. These broad themes included there's
5 potential for error in all components of the diversion rate
6 measurement system. Diversion rates are estimates and
7 indicators. We found that in a variety of instances small
8 jurisdictions were more likely to have an inaccurate
9 diversion rate, and, therefore, there was a need to do what
10 the law had said in terms of focusing on implementing
11 diversion programs.

12 In terms of the recommendations that went forward
13 in the report, there were a variety of recommendations, some
14 of which were approved and some which were not. This work
15 plan only has reported recommendations. And in the agenda
16 item you'll see the reference numbers on those.

17 The report itself, which is an expanded table of
18 recommendations and per Mr. Paparian's direction, a list of
19 -- a table that also includes the ideas that were not
20 recommended by the Board. In the report itself we had many
21 categories of recommendations. This work plan is organized
22 slightly differently. We aren't using the categories, per
23 se. We have taken a look at what is required to implement
24 the recommendation. So the work plan is separated into
25 legislation, regulations and Board policies and procedures.

1 The recommendations within the report that require
2 legislative changes are as listed on the slide. Increase in
3 centers for regional agencies, allow jurisdictions within a
4 county who are implementing their programs to voluntarily
5 work together and report as a countywide diversion rate, and
6 to establish due process procedures, Board enforcement and
7 penalties for the disposal reporting system. The agenda
8 item recommends that we take a look at these and come up
9 with some proposed language that could be considered for
10 this legislative session.

11 In addition, there are three recommendations that
12 were approved for further review during the strategic plan
13 implementation that would also require legislation to fully
14 implement. We did not, in the agenda item, list specific
15 dates for working on these because they are part of more
16 complex activities that the Board is undertaking under the
17 strategic plan, and we wanted to give the Board
18 flexibility.

19 These ideas are changing diversion limits for
20 direct burn transformation and for non-burn transformation
21 and placing more responsibility on generators of difficult
22 to handle waste. There are also several regulation packages
23 that would be required to implement recommendations. In the
24 report there are a variety of recommendations that deal with
25 establishing statewide standards for collecting disposal

1 reporting system data.

2 And we are recommending that we start the informal
3 process this March and try to wrap that one up by the end of
4 December. There is also a recommendation that we make solid
5 waste facility participation in the disposal reporting
6 system a permit requirement, and we are looking at that same
7 time frame, March through December, for informal regulations
8 development.

9 Next is the use of alternative adjustment method
10 factors and formulations. We are proposing a little bit
11 later start date on that one, and we propose to start that
12 one in August. And finally, allowing rural jurisdictions to
13 demonstrate compliance based on diversion programs rather
14 than having them spend as much time doing new base years.
15 And that, again, we're proposing to do informal regulation
16 development in the March through December time frame.

17 There are also a large number of recommendations
18 that require Board policy and procedures. The Board has
19 already directed staff to proceed on several
20 recommendations, and the staff is doing so. There is a
21 recommendation to focus on increasing the markets, and it
22 had a variety of activities which are being undertaken by
23 the markets division staff. The update on the LEA advisory
24 on alternative daily cover was part of the recommendations
25 which the Board approved with agenda item 14 yesterday,

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

1 recognizing the potential for errors in the diversion rate
2 measurement as contained in the Board's policies for
3 reviewing -- for performing biennial reviews in the CWIN
4 enforcement policy and continuing study of the adjustment
5 method.

6 In addition, there are a number of new
7 recommendations. These include increasing disposal
8 reporting system audits and disposal reporting system
9 reports available on the website. Also, increasing training
10 for facility operators and local governments on the disposal
11 reporting system and diversion rate measurement, asking
12 jurisdictions to explain why their base year is still good
13 if they have growth greater than 14 percent, which was the
14 tested limit for the adjustment method. And developing an
15 accuracy indicator table for biennial reviews.

16 Staff has a variety of time lines for these, most
17 of them occurring this spring, summer and fall, which are
18 included in the agenda item. I'd be happy to answer any
19 questions the Board may have.

20 BOARD CHAIR MOULTON PATTERSON: Questions?
21 Mr. Paparian?

22 BOARD MEMBER PAPARIAN: Some of the items in the
23 chart indicate estimated time line of ongoing.

24 MS. VAN KEKERIX: Right.

25 BOARD MEMBER PAPARIAN: Would it be possible to

1 get some more specificity on some of those?

2 MS. VAN KEKERIX: Is there a particular one?

3 BOARD MEMBER PAPARIAN: Like the ADC, updating the
4 LEA ADC thing you mentioned a few minutes ago.

5 BOARD CHAIR MOULTON PATTERSON: I am uncomfortable
6 with that, too.

7 BOARD MEMBER PAPARIAN: Maybe if we can get some
8 more specific dates in here, maybe that might be a more
9 thorough report to make.

10 MS. VAN KEKERIX: Okay. Is there for every one of
11 them or just what's listed as ongoing?

12 BOARD CHAIR MOULTON PATTERSON: Right. I think
13 that's my concern, the one that says -- the ones that say
14 "ongoing." What about you, Mr. Paparian?

15 BOARD MEMBER PAPARIAN: Yes.

16 BOARD CHAIR MOULTON PATTERSON: Is that okay with
17 you, Mr. Jones?

18 BOARD MEMBER JONES: Madam Chair, I got a couple
19 of questions on a couple of these ones that need statutory
20 change. I know that when these came forward we looked at
21 these, and I agree with the staff recommendation. But on
22 the second bullet under "statutory change," "allow all
23 jurisdictions in the county to report compliance as a whole,
24 provided all jurisdictions have implemented their programs,"
25 that needs to be flushed out a little bit more, in my mind,

1 because this goes to if you've got five jurisdictions in a
2 county, two of them are doing a really stellar job, two of
3 them are just doing programs but it's a sham, and one of
4 them may be doing something, are we saying that all five of
5 those jurisdictions are going to be treated as one,
6 basically like a regional agency?

7 It is unclear to me when we say -- when we use a
8 caveat like that they have implemented their programs. This
9 was the key to AB 1939 that never got through the
10 Legislature, and it was just simply saying that you were
11 doing the program.

12 While I can understand why a lot of people would
13 like to recommend that as a change, it guts our authority
14 under AB 939, or could, and I just would like to get more
15 explanation on this -- what we consider to be implementing
16 programs. Because part of the arguments were the curbside
17 truck that goes down the street that picks up seven items
18 versus the one that picks up one. They are both in
19 compliance because they are both doing a curbside program.
20 The level of effort is obviously not the same. I don't know
21 how we would have regulated that if it was to become a
22 statutory change. Sounds awful much like 1939.

23 MS. VAN KEKERIX: I can give you a little bit of
24 background on the discussion. This is explained more in
25 chapter 6 of the report. What we tried to do here was lift

1 pieces out, so you don't have the entire report in front of
2 you. So some of it may be part of the lifting the pieces
3 out.

4 BOARD MEMBER JONES: Maybe I can do it easier.
5 Does my concern to Board members make sense? If you've got
6 jurisdictions that not everybody's pulling their weight, how
7 do we protect -- if we go forward with this as a statutory
8 change, how do we protect those jurisdictions that are
9 really putting in the effort versus those that aren't?

10 MS. VAN KEKERIX: I am not sure that I have an
11 answer today for your question. It came out of a discussion
12 on improving accuracy through looking at regional diversion
13 rate measurement and the disincentives of the \$10,000 a day
14 fine for all the jurisdictions. So this would be a way to
15 look at a regional measurement without having to go through
16 the legal step of forming a joint powers authority to form a
17 regional agency.

18 BOARD MEMBER JONES: I appreciate that you brought
19 all this information forward, but there was a huge menu for
20 us to pick and choose from. I would be -- if I was the
21 person that wasn't doing a whole lot on my programs, I'd be
22 waving a flag for this in a heartbeat because I could rely,
23 then, on the other jurisdictions that are.

24 It is like when we used to talk about commingling
25 our recycling on a regional basis. If I did a good job, my

1 value is as high as somebody that did a bad job, was low,
2 and they just got the median. So I think we need to develop
3 some discussion, what that -- I don't know if we have the
4 opportunity to pull a couple of these off and talk. Because
5 I have two more, Madam Chair, and I know we have got to
6 move.

7 But that one, I think, needs to be flushed out
8 more. And I also think that when we talk about allowing
9 rural jurisdictions to demonstrate compliance based on
10 program implementation and effectiveness, they have got that
11 right now under AB 1066, and they get to write for a good
12 faith effort if they are doing the programs.

13 This has been an argument since AB 939 first went
14 in. The argument has always been if they generated five
15 percent of the waste, why do they have to do all these
16 things? If you look at the reasons why they want reductions
17 in their goal, it is because they say they are too spread
18 out to do any programs. So if they have got legitimate
19 reasons why programs are hard, then we see all you got to do
20 is demonstrate that you are doing some programs for
21 compliance, then doesn't that take away our ability to make
22 a good-faith effort finding for them, which is one of the
23 reasons that that was put in law. I don't want to hurt
24 rural jurisdictions, but I also don't want to open this up
25 for something that's been in debate for over 11 years.

1 BOARD MEMBER JONES: Would you like to continue
2 this so you'll have a chance to put the dates in and then
3 bring it back?

4 MS. VAN KEKERIX: I am looking at the list on
5 ongoing. I can see that the LEA advisory we could have.
6 But to continue use of the existing adjustment method, I am
7 not sure what date I would put other than ongoing. So there
8 are a couple there that I can see. But when it is
9 continuing use of existing methods, I don't see any other
10 good option than ongoing.

11 BOARD MEMBER PAPARIAN: In some cases that would
12 make sense. In some cases it is a discrete enough task that
13 a date would be appropriate.

14 BOARD CHAIR MOULTON PATTERSON: And that will give
15 Mr. Jones time to go over this more.

16 BOARD MEMBER PAPARIAN: Maybe continue this until
17 March.

18 BOARD CHAIR MOULTON PATTERSON: Yes, I would like
19 to do that, please. Thank you very much. That brings us to
20 item No. 47.

21 BOARD MEMBER JONES: Madam Chair, may I ask a
22 question. Are the Board members comfortable with some of
23 these issues that I just brought up?

24 BOARD CHAIR MOULTON PATTERSON: I am. We did have
25 a speaker on that, Mr. Mohajer, but he's not here right now.

1 BOARD MEMBER MEDINA: I certainly agree with
2 Mr. Jones that not only with a city that's not doing as well
3 as a city that's doing very well, get credit for that, then
4 there's also a disincentive for the one that's doing really
5 well.

6 BOARD MEMBER JONES: Exactly. I only ask, Madam
7 Chair, because I don't want to go forward and then find out
8 people didn't agree, if that's cool.

9 BOARD CHAIR MOULTON PATTERSON: We have a speaker,
10 Ms. Citrino, did you wish to speak even though we are
11 continuing it? You might not be able to attend.

12 MS. CITRINO: I am hopeful that I can address a
13 couple. Liz Citrino, Humboldt County. I would like to make
14 just two points that I think are really sort of key to
15 understanding this particular proposal.

16 One is I think our expectation was that a similar
17 kind of review process would go on as to what currently
18 occurs, using staff and the para system to verify that
19 jurisdictions are, in fact, implementing programs.

20 And No. 2, I think the other important key point
21 here is that this proposal was intended to be voluntary on
22 the part of jurisdictions so that a jurisdiction which is
23 doing an outstanding job wouldn't be in a position of having
24 to carry the weight if they felt that other jurisdictions
25 were not doing an adequate job. Because they would simply

1 refuse to go along with the proposal to measure things on a
2 countywide jurisdictional basis.

3 The reason we included that is because we felt it
4 was important as part of focusing more on implementing
5 programs that we not totally step away from the need to
6 document achievement and performance.

7 So hopefully that helps a little bit.

8 BOARD CHAIR MOULTON PATTERSON: Thank you very
9 much for bringing that up. We appreciate your work.

10 That brings us to item 47.

11 BOARD MEMBER PAPARIAN: Madam Chair, I think the
12 work that's gone into this has been really good. I hope
13 that our concerns aren't taken as indicating displeasure
14 with the report at all. I think it is -- there's been a lot
15 of work that's gone into it, really excellent work, and I
16 think what we are looking for is just a couple little tweaks
17 at this point.

18 BOARD CHAIR MOULTON PATTERSON: Item 47.

19 MR. SCHIAVO: Item No. 47, this will be a long
20 title. Is consideration of staff recommendation on the
21 1999-2000 biennial review findings for the source reduction
22 and recycling element and household hazardous waste element
23 for the following jurisdictions. And one is Martinez,
24 Humboldt County Unincorporated, California City, Tehachapi,
25 Lassen Regional Solid Waste Management Authority, Mono

1 County Unincorporated, Palm Springs, Riverside, San Jacinto,
2 Temecula. Galt was pulled. Isleton, Los Altos, Milpitas,
3 and Mountain View. And Tabetha Willmon will be making this
4 presentation.

5 MS. WILLMON: Good morning, Madam Chair and Board
6 members. Before we get going, we have some changes that
7 have been made to some of the diversion rates that are in
8 item 47. As Mr. Schiavo said, that Galt's been pulled.
9 Also, San Jacinto, we have updated the diversion rates.
10 That's reflected on page 47-66. The diversion rates for
11 1995, '96, '97 and '98 have been updated to reflect a
12 previous Board-approved base year correction.

13 Oh, actually, I'm sorry. The pages just came in.
14 So if you don't have it, it is San Jacinto, diversion rates
15 on page 47-66. The diversion rate for 1995 is 51. The
16 diversion rate for 1995 is 51, '96 is 51, '97 is 51 and '98
17 is 49, and '99 and 2000 are the same.

18 Also, I would like to give you a little bit of
19 overview about items 47 and 48, since they are similar.
20 Items 47 and 48 present to the Board for its consideration
21 Board staff's biennial review findings for the 1999-2000
22 biennial review period.

23 AB 939 requires the Board to conduct a review at
24 least once every two years of each jurisdiction's progress
25 in meeting the mandate diversion requirements. The 34

1 jurisdictions listed in these two streamlined agenda items
2 are the first of approximately 10 jurisdictions that Board
3 staff plan to present in the streamline format.

4 Staff have conducted their biennial review and
5 found that these jurisdictions have achieved a 2000
6 diversion rate of at least 50 percent, and are adequately
7 implementing composting recycling and public education
8 programs as outlined in their source code and recycling
9 elements.

10 Upon review, staff analysis indicates that
11 approximately 22 of the 34 jurisdictions in these items may
12 show fluctuating diversion rates. It is important to note
13 that some of these jurisdictions are very small, and their
14 diversion rates are severely impacted by the slightest
15 fluctuation in any one of the factors that most affect
16 measurements in your calculations, which are disposal,
17 population, employment and taxable sales.

18 While taking this into consideration, as part of
19 the biennial review Board staff conducted site visits and
20 verified that each jurisdiction's diversion program
21 implemented is solid in its foundation and effectiveness,
22 which is the basis for staff's recommendation in these two
23 items.

24 We are also planning to bring forward to the Board
25 in the coming months the biennial review findings for all of

1 the jurisdictions who have varying circumstances, ranging
2 from good-faith effort to jurisdictions who are conducting
3 SB 1066 time extensions to those that Board staff recommend
4 be placed on compliance.

5 These future items will not be presented in the
6 streamline format due to their individual complexities.

7 Agenda item 47 lists those jurisdictions for which
8 staff is recommending approval of the 1999-2000 biennial
9 review. Should the Board not accept staff's
10 recommendations, these jurisdictions have reserved the right
11 in the 2000 annual report to submit an SB 1066 time
12 extension request.

13 That concludes my presentation for item No. 47.
14 Both Board staff and representatives for the jurisdictions
15 are here to answer any questions.

16 BOARD CHAIR MOULTON PATTERSON: Thank you. As I
17 have stated several times before, I think it is really
18 important that we do some well-deserved recognition of some
19 of the cities that have done outstanding jobs, and I just
20 wanted to mention that we have been working with the League
21 of Cities to do a special recognition ceremony at the League
22 of Cities meeting in July. And I will be getting more
23 information to all Board members in case they would like to
24 attend.

25 BOARD MEMBER JONES: Madam Chair?

1 BOARD CHAIR MOULTON PATTERSON: Mr. Jones,
2 Mr. Paparian?

3 BOARD MEMBER PAPARIAN: I have some curiosities
4 about a couple of them. Tehachapi at 95 percent, far
5 exceeding our own diversion here at the Board, what's their
6 secret?

7 MS. WILLMON: Tehachapi here? Would you like to
8 come up and address them?

9 BOARD CHAIR MOULTON PATTERSON: We hear that you
10 have great C and D programs. Congratulations.

11 MR. JAMES: Madam Chair, Dave James, community
12 development director for the City of Tehachapi. I think our
13 success is based on a number of things. One, we have a
14 MRF. And that's not unusual. We certainly don't want to
15 suggest this morning that we are simply relying on the MRF,
16 but it is a very efficient process.

17 Lord knows the representatives of your staff have
18 been to our community. It is not real pretty. It is not
19 real high-tech, but it is very efficient. I think we may
20 have some unique circumstances. I don't know how
21 duplicatable our process is. Our MRF is private industry.
22 It has been sanitation.

23 The City's participated in some financing
24 assistance. So we do have somewhat of a partnership in that
25 respect. But we have a set of circumstances, I suspect, in

1 Tehachapi that might be unique, and in that respect I don't
2 know that our situation is terribly duplicatable. But we do
3 have members in our community that are employed there. So
4 we have an employment base of folks that are willing to do
5 the manual diversion.

6 We also have Paul Bins, the founder of Bins
7 Sanitation, just a very creative individual. Just to give
8 you an example, which may sound outrageous, but we have
9 large bins full of bowling balls, that who would have
10 imagined finding a use for them, but he has.

11 We also have a lot of biomass diversion, a lot of
12 alternative energy. Tehachapi is well-known for wind, but
13 we also have a lot of biomass. And a lot of our plant
14 recycables and pallets that are ground up into mulch are
15 used in -- for agriculture purchases, and also in the
16 biomass industry. So it is just very effective.

17 Mandatory pickup within the City limits also helps
18 a great deal, and also educational process. Everybody is
19 involved in recycling from community groups to the school
20 system. It has just become literally a community function.
21 I think that's part of the secret to success and part of
22 ours as well.

23 So I appreciate the opportunity to be here. And
24 if I can answer any questions, I'd certainly be glad to do
25 so.

1 BOARD CHAIR MOULTON PATTERSON: Congratulations.

2 BOARD MEMBER PAPARIAN: Good job.

3 BOARD CHAIR MOULTON PATTERSON: Senator Roberti?

4 BOARD MEMBER ROBERTI: Madam Chair, take the
5 occasion with the gentleman from Tehachapi, and I commend
6 him also for an excellent job for his city. That this
7 highlights, in my mind, a couple of things. And I know
8 Tehachapi is unique and is very agricultural, essentially,
9 but I am concerned if we are -- we bent over backwards to be
10 generous, as my own personal feelings were with Yoma Linda
11 yesterday, this will not be fair. And in the long run might
12 even be good for those communities that really work overtime
13 in trying to come up with compliance.

14 I, like all of you, I'm sure, have visited a
15 number of jurisdictions that are enthusiastic, that work
16 hard, have put together programs, are proud of their
17 programs, are pushing every minute to reach the diverted
18 numbers.

19 And then we have those that don't. And I am
20 afraid that if we send a message -- and I am just speaking
21 generally, but I think it is important maybe to reflect on
22 this. If we send a message that, "Hey, guys, we are going
23 to be soft." And, you know, "We really didn't mean it that
24 much," that message is going to be very, very damaging to
25 our programs and dispiriting to those, like Tehachapi. And

1 I grant Tehachapi must be very elite, so we can't say it is
2 the same, have really worked overtime to comply with the
3 law.

4 Another point, and I am sure Tehachapi's situation
5 is unique, but they have their own MRF. And, you know, we
6 politically talk an awful lot about local control, but it
7 really is more than just a political expression that gets
8 thrown out at election time. Local control does mean
9 something. It means enthusiasm, closer supervision, people
10 really caring about the record their community comes up
11 with.

12 And that's why it was dispiriting to me yesterday
13 to hear Loma Linda say we said we are going to get a MRF.
14 And then without any reason why they weren't going to, to
15 say we decided a more regional operation was better.

16 Well, maybe so, but they didn't come before this
17 Board, and they lost sight of the whole business of local
18 control, local enthusiasm in controlling your waste product
19 and the reuse of the waste stream.

20 So I am just saying that as something that we
21 should reflect upon when we think of those jurisdictions we
22 want to give an extension to, because we don't want to be
23 bad guys. And yet on the other hand, there are an awful lot
24 of jurisdictions that have been enthusiastic in the past
25 decade that have worked very, very hard to comply with the

1 restrictions of 939.

2 BOARD CHAIR MOULTON PATTERSON: Thank you.

3 Mr. Jones and then Mr. Paparian.

4 BOARD MEMBER PAPARIAN: I had a couple questions.

5 BOARD MEMBER JONES: Can I just say something to
6 this person before Mr. Paparian starts. Paul Bins is a
7 friend of mine. I think Paul's creativity brought you guys
8 to -- took the city of -- took your city to that diversion
9 rate. Because I remember a long time ago it was dragging
10 and kicking.

11 Paul can be pretty -- what's a good word?
12 Relentless. But it worked out for both of you. I think
13 that's actually a regional facility that takes care of quite
14 a bit of the county and one other city, if I am not
15 mistaken. I have been to that site a couple of times. It
16 is worth seeing if you can ever take the time. Because
17 you're not going to see real nice painted conveyor
18 infrastructure. You're going to see conveyors that work,
19 but that probably he got out of another facility or made
20 himself on site, and it is awesome to watch that operate.

21 So I congratulate you, and I congratulate Bins and
22 all your other haulers that cooperate together. I think you
23 have got three haulers that feed into that site, two or
24 three.

25 BOARD CHAIR MOULTON PATTERSON: Thank you,

1 Mr. Jones. Mr. Paparian?

2 BOARD MEMBER PAPARIAN: Let me just ask one other
3 one. Los Altos went from 38 to 39 to 41 to 64, over a
4 50-percent increase in a single year in diversion. Just
5 what happened there? Something big come on line in Los
6 Altos?

7 MS. WILLMON: Actually, is Los Altos here?
8 Mr. Jim Porter is here, and maybe he'd like to address that.

9 MR. PORTER: In the year 2000 we implemented a
10 downtown cardboard recycling program which was
11 containerized, and something that started this year -- or
12 last year, I should say.

13 And, also, I think a large factor was the amount
14 of residential reconstruction that occurred in our
15 community. We are basically a bedroom community, and we had
16 a great deal of home remodeling, and that debris was
17 basically C and D that was diverted. I believe those are
18 the two major factors that contributed to our success.

19 BOARD CHAIR MOULTON PATTERSON: Thank you for
20 being here. And give us your name.

21 MR. PORTER: Jim Porter. I am the public works
22 coordinator with the City of Los Altos.

23 BOARD MEMBER JONES: Los Altos, good indication.
24 The garbage company that takes care of them was one of
25 mine. You have nine jurisdictions operating out of one

1 facility, and there are eight different programs. That's
2 why there's no cookie cutter.

3 Los Altos actually doesn't make garbage. They put
4 it all behind a fence so that nobody can see it from the
5 street. And I love them. It is with a lot of pleasure, and
6 I actually -- I know this whole Board commends this first
7 group and the people that are part of both your city and
8 industry partnerships congratulate you.

9 And I want to take the honor of moving resolution
10 2002-60 for the consideration of the recommendation of the
11 1999-2000 biennial review findings for the source reduction
12 and recycling household hazardous waste element for Contra
13 Costa, it would be the City of Martinez, Humboldt County
14 Unincorporated; Kern, it is California City, Tehachapi;
15 Lassen, Lassen Regional Solid Waste Management Authority;
16 Mono, Mono County Unincorporated; Riverside, Palm Springs,
17 Riverside, San Jacinto, Temecula. In Sacramento, Isleton;
18 Santa Clara, Los Altos, Milpitas and Mountain View.

19 BOARD MEMBER MEDINA: Second.

20 BOARD CHAIR MOULTON PATTERSON: We have a motion
21 by Mr. Jones seconded by Mr. Medina to approve resolution
22 2002-60. Before we vote, I would just like to ask
23 Mr. Simpson to work closely with League of Cities and these
24 cities and counties so we can properly recognize them in
25 July at the League of Cities.

1 Please call the roll.

2 SECRETARY VILLA: Jones?

3 BOARD MEMBER JONES: Aye.

4 SECRETARY VILLA: Medina?

5 BOARD MEMBER MEDINA: Aye.

6 SECRETARY VILLA: Paparian?

7 BOARD MEMBER PAPARIAN: Aye.

8 SECRETARY VILLA: Roberti?

9 BOARD MEMBER ROBERTI: Aye.

10 SECRETARY VILLA: Moulton Patterson?

11 BOARD CHAIR MOULTON PATTERSON: Aye.

12 Item 48.

13 MR. SCHIAVO: Item 48 is the second part. It is,
14 again, consideration of staff recommendation on the
15 1999-2000 biennial review findings for source reduction and
16 recycling element and household hazardous waste element
17 following the of jurisdictions, and then we can cover these
18 in the resolution as you read them into the record. And
19 Tabetha Willmon will present this item.

20 MS. WILLMON: Before I get into item 48, I also
21 want to let you know about some changes that we made to the
22 diversion rates. For the City of Monterey, which is on page
23 48-33 -- I shouldn't say we made changes to the diversion
24 rate. We updated the current diversion rates. Monterey,
25 the City of Monterey conducted a new base year study which

1 the Board approved, which it was a 1998 new base year. So
2 their actual numbers for '95, '96 and '97 C and D which is
3 not determinable.

4 And then the City of Reedley, which is on page
5 48-56, has updated diversion rates. They had a
6 Board-approved base year correction. And we needed to
7 update the rates for '95 through '97. '95 diversion rate
8 was 70 percent. '96 diversion rate was 68. '97 diversion
9 rate was 66 percent, and that was corrected.

10 Item 48 lists those jurisdictions of which staff
11 is also recommending the approval of the 1999-2000 biennial
12 review. However, should the Board not accept staff's
13 recommendation, these jurisdictions did not elect to reserve
14 the right in the 2000 annual report to submit an SB 1066
15 extension time request which gives the Board an alternative
16 set of options which is outlined in item 48.

17 This concludes my presentation. Both Board staff
18 and representatives are here to answer questions.

19 BOARD CHAIR MOULTON PATTERSON: Thank you.
20 Mr. Paparian?

21 BOARD MEMBER PAPARIAN: Just a couple on this
22 one. A couple of the big jumps, I am just curious about
23 what happened, Colfax went up from 50 to 65, 30 percent in
24 one year.

25 MR. POGUE: Madam Chair, Kyle Pogue. Dean Walker

1 with the City of Colfax is also available to answer any
2 questions as well.

3 BOARD MEMBER PAPARIAN: Just the short
4 explanation.

5 MR. POGUE: I'll give you the short version, is
6 that 20 tons of waste will move their diversion one
7 percentage point. So any fluctuation in disposal will move
8 them fairly significantly from 50 to 65 percent,
9 hypothetically, or in reality in this case.

10 Colfax has strong program implementation. They
11 are continuing to expand their program implementation into
12 the future as well. They recently started a free commercial
13 recycling program for all businesses so they can participate
14 as well. They have a strong residential program. They
15 offer a curbside green waste program as well as a blue bag
16 recycling program, and they are serviced by Tahoe-Truckee
17 Sierra Disposal, which operates a materials recovery
18 facility. So all waste there flows east. It moves to a
19 facility near Truckee, and it is sorted there. So they do a
20 good job of implementation. Being a small jurisdiction with
21 small disposal amounts, their diversion rates can fluctuate
22 greatly at any time.

23 BOARD MEMBER PAPARIAN: Sounds like a good program
24 and commitment there. Let me just ask one other. There are
25 several in the Monterey Bay Area route that had pretty big

1 increases.

2 MS. WILLMON: Did you want -- is there any one
3 specific? I know that David Meyers from the Regional Waste
4 Management District is here to address the whole peninsula.

5 BOARD MEMBER PAPARIAN: Carmel, 42 to 52, and
6 Pacific Grove went 42 to 52 in a single year. Something
7 come on line there?

8 MR. MEYERS: Dave Meyers, general manager of
9 Monterey Regional Waste Management District. I brought some
10 copies of our 50th anniversary annual report that shows how
11 our cities have done over the years, and also shows what our
12 district facility has done. And between physical '98-'99,
13 physical 2000-2001, we increased our diversion at the
14 facility about 10 percent. It was a full 5 percent between
15 '99 and 2000. So that really helped Pacific Grove and
16 Carmel and the other communities.

17 Carmel and Pacific Grove both implemented variable
18 rates late in '99 which affected their numbers in 2000.
19 They added their yard waste programs. If you want to know
20 about Monterey, the Public Works director is behind me
21 here. But they also benefit from our programs as well. The
22 district's been doing a lot, as I think some of you know who
23 have toured the facility.

24 BOARD MEMBER PAPARIAN: Good. Sounds like you're
25 doing great work there.

1 BOARD CHAIR MOULTON PATTERSON: Mr. Medina.

2 MR. RICHMITH: Bill Richmith [phonetic], director
3 of Public Works for the City of Monterey, and I would be
4 happy to answer any question as to Monterey if you wish.

5 BOARD CHAIR MOULTON PATTERSON: Very briefly.

6 MR. RICHMITH: Certainly. First of all, we have
7 gone out of our way to make recycling easy for our
8 customers. We have yard waste recycling, single stream,
9 blue toter, which we are very proud of and happy with the
10 results that we have seen. It is cost-effective for
11 ratepayers. Recycling is free. We charge for what goes in
12 the refuse. We don't charge for anything that goes in the
13 recycle bins.

14 We have a full-time solid waste program manager,
15 very creative. We call her our recycling zealot, and that
16 helps. I tell you, by the way, she's sitting here in the
17 front row, so Ms. Brandtly, the City of Monterey.

18 As a result of her direct efforts, we have been
19 able to bring on our military installations in Monterey.
20 That's the single biggest contributor to the judgment that
21 Mr. Paparian referred to. The naval post graduate school
22 with a daytime population of about 10,000, and the Defense
23 Language Institute at the Presidio of Monterey with a
24 similar daytime population. Their nighttime resident
25 populations are about 4,000, and they are complete

1 facilities with barracks, missiles, the works.

2 I would also like to say that we -- there were a
3 couple of other programs which hit, one is construction and
4 demolition. We have been very serious through our building
5 inspection and safety office about emphasizing that
6 particular program, and it was my pleasure to host
7 Mr. Medina, although he's probably forgotten it now, at the
8 Monterey City's Window on the Bay Program partially funded
9 by Caltrans. All those buildings that came out of that
10 Windows on the Bay were reused, trimmed for reuse and then
11 recycled. A very important program, and we continue to
12 build on that success.

13 And lastly, we have had a very cooperative
14 relationship with the waste management district. You just
15 heard from Mr. Meyers, and I am very proud of one program
16 that they do, and they take the drop boxes that come in,
17 dump them on the floor and recycle them as they do. So you
18 catch the things that inadvertently go where they aren't
19 supposed to go.

20 And the last and also very important item to us
21 has been a helpful -- the help we get from your very
22 cooperative and very capable staff to a person when we deal
23 with them. Their expectations are very high. On the other
24 hand, they work with us on a very collegial basis, and I
25 would be much remised if we didn't take this opportunity to

1 thank your staff.

2 BOARD CHAIR MOULTON PATTERSON: Thank you. And
3 congratulations to the City of Monterey and also the
4 regional waste management district. We will be looking at
5 this very closely.

6 BOARD MEMBER MEDINA: I would like to move
7 resolution 2002-61, consideration of staff recommendation of
8 the 1999-2000 biennial review findings for the source
9 reduction and recycling element and household hazardous
10 waste element for the following jurisdictions: Alameda
11 County, City of Albany, for Fresno County, Clovis, Reedley,
12 Sanger, for Kern County, Ridgecrest, Shafter, Taft, Monterey
13 County, Carmel-by-the-Sea, Marina, Monterey, Pacific Grove,
14 Seaside, Placer, Colfax, Riverside, Canyon Lake, Norco, for
15 San Luis Obispo, San Luis Obispo County Integrated Waste
16 Management Authority, Santa Clara, Palo Alto, Sunnyvale, and
17 finally, for the County of Santa Cruz and Scotts Valley.

18 BOARD MEMBER JONES: Second.

19 BOARD CHAIR MOULTON PATTERSON: We have a motion
20 by Mr. Medina seconded by Mr. Jones to approve resolution
21 2002-61.

22 Please call the roll.

23 SECRETARY VILLA: Jones?

24 BOARD MEMBER JONES: Aye.

25 SECRETARY VILLA: Medina?

1 BOARD MEMBER MEDINA: Aye.

2 SECRETARY VILLA: Paparian?

3 BOARD MEMBER PAPARIAN: Aye.

4 SECRETARY VILLA: Roberti?

5 BOARD MEMBER ROBERTI: Aye.

6 SECRETARY VILLA: Moulton Patterson?

7 BOARD CHAIR MOULTON PATTERSON: Aye. And

8 congratulations, again, to those cities and to our great
9 staff. I just have to say I hear that everywhere, that we
10 have a terrific staff, and we are real proud of you.

11 Item No. 49.

12 MR. SCHIAVO: Item No. 49 is consideration of
13 recommendation to change the base year to 1998 for the
14 previously approved source reduction and recycling element
15 in consideration of the 1997-'98 biennial review findings
16 for the source reduction and recycling element and the
17 household hazardous waste element and consideration of
18 completion of compliance order IWMA 99-56, for the City of
19 Daly City, San Mateo. And Keir Furey will be making this
20 presentation.

21 MR. FUREY: Madam Chair, Board members, previously
22 during the '95-'96 biennial review process the City was
23 placed on a compliance order. Although the City had
24 implemented the majority of their source reduction and
25 recycling elements selected programs, their diversion rates

1 fell significantly below the 25-percent goal.

2 The City decided to develop a new base year based
3 on 1998 data. The City then hired a consultant and
4 subsequently submitted a new base year study. The City
5 originally submitted a new base year change request with the
6 diversion rate of 14 percent. As part of the base year
7 study review, Board staff conducted a detailed site visit.

8 The City participated with the Board staff in the
9 site verification process. Board staff recommended
10 reductions and additions that can be reviewed in their
11 entirety by referring to attachment three of the agenda item
12 package.

13 When we found a number of deductions, we also
14 discovered the City had a diversion program for asphalt for
15 ongoing road projects. Staff worked with the City to
16 measure their asphalt diversion and address the restricted
17 waste criteria. Once confirmed, the tonnage was added. As
18 a result of deductions and additions, Board staff recommends
19 revised diversion rate of 18 percent to the base year of
20 1998.

21 Since 1998 the city has continued to introduce
22 many diversion programs and enhance and improve existing
23 diversion programs. In January 2000 the franchise hauler
24 hired additional staff to promote the City's existing
25 recycling program. Also, in the beginning of the year 2000

1 the existing transfer station and salvage program located in
2 Daly City was enhanced to include green waste and clean
3 lumber recovery.

4 Then in March of 2000 the City rolled out its
5 residential curbside green waste collection program. It
6 often takes time to see results from newly-implemented
7 programs, so we analyzed 2001 disposal data as well as
8 2000. The diversion rate for 2000 using the new proposed
9 generation amount was calculated to be 23 percent.

10 Using the disposal data for the first three
11 quarters of 2001, there was a significant downward trend
12 from previous years which should calculate an estimated
13 diversion rate of over 39 percent.

14 Board staff has determined that the information is
15 adequately documented. Based on this, Board staff is
16 recommending agenda two of the item which would approve the
17 revised new base year with staff recommendations except the
18 '97-1998 biennial review findings and end the compliance
19 order for the City. Representatives from the City are
20 present to answer any questions. This concludes my
21 presentation. Thank you.

22 BOARD CHAIR MOULTON PATTERSON: Thank you. Mr.
23 Paparian or Senator Roberti?

24 BOARD MEMBER ROBERTI: Madam Chair, this is a
25 little bit different than 1066 extensions. It is whether

1 the jurisdiction should come off compliance on where they
2 have done everything that they have been asked to do, which
3 it appears they have, except they are still at 18 percent.
4 They are still at 18 percent. Maybe I would like to ask
5 staff a question as to why are they still at 18 percent, or
6 do we see any light at the end of the tunnel that hasn't
7 come before us?

8 MR. SCHIAVO: As a result of their program
9 implementation in the late '99 and through 2000, an
10 assessment was done to look at the 2001 numbers. And based
11 on that assessment, they are just about 40 percent, 49.6.
12 So we have seen a huge improvement based on the program.

13 BOARD MEMBER ROBERTI: So their effort is very
14 fruitful on this item?

15 MR. SCHIAVO: The numbers are always going to be
16 in arrears when you do the program implementation, so you
17 don't see the fruits of that until maybe 18 months down the
18 road.

19 BOARD MEMBER ROBERTI: Thank you. That's very
20 helpful.

21 BOARD MEMBER JONES: Madam Chair, I wanted to move
22 adoption of resolution 2002-62 for the consideration of
23 staff recommendation to change the base year to 1998 for the
24 previously approved SRRE and consideration of the '97-'98
25 biennial findings for the SRRE and HHWE and consideration of

1 the completion of the compliance order IWMA 99-56, for the
2 City of Daly City.

3 BOARD MEMBER MEDINA: Madam Chair, I would like to
4 second that. And I just had one question on page 49-42.
5 The compliance order is neither dated nor signed. Is there
6 a dated and signed copy?

7 MR. SCHIAVO: Yes, there is. In these packets we
8 put an electronic version in them.

9 BOARD CHAIR MOULTON PATTERSON: We have a motion
10 by Jones, seconded by Mr. Medina for resolution 2002-62. My
11 only question is just assurances that the staff is satisfied
12 that there has been improvement before we go.

13 MR. SCHIAVO: Yes. They have done everything we
14 have asked, and they are planning on doing more.

15 BOARD CHAIR MOULTON PATTERSON: Thank you.
16 Please call the roll.

17 SECRETARY VILLA: Jones?

18 BOARD MEMBER JONES: Aye.

19 SECRETARY VILLA: Medina?

20 BOARD MEMBER MEDINA: Aye.

21 SECRETARY VILLA: Paparian?

22 BOARD MEMBER PAPARIAN: Aye.

23 SECRETARY VILLA: Moulton Patterson?

24 BOARD CHAIR MOULTON PATTERSON: Aye.

25 SECRETARY VILLA: Roberti?

1 BOARD MEMBER ROBERTI: Aye.

2 BOARD CHAIR MOULTON PATTERSON: Okay. Our last
3 item -- we will be going back to item 41 at 1:30, but our
4 last item is item 50, because 51 and 52 have been approved
5 on consent; is that correct? And it is 12:00, so thank you,
6 and we'll have a quick presentation.

7 MR. SCHIAVO: Item 50 is consideration of staff
8 recommendation on the adequacy of the five-year review
9 report of the countywide integrated waste management plan
10 for the County of Tuolumne. And Carolyn Sullivan will make
11 the presentation.

12 MS. SULLIVAN: Good afternoon, Madam Chair. Each
13 county is required to review, and if necessary, revise its
14 county integrated waste management plan every five years.
15 The County of Tuolumne completed the five-year review of its
16 CWIN and submitted a complete report by the five-year review
17 due date of November 2001.

18 Board staff has 90 days to review this document
19 and bring it before the Board for approval or disapproval.
20 The report was delivered to the Board staff on November 6,
21 2001, therefore, the 90-day date is March 6th, 2002.

22 The Tuolumne County local task force was
23 reconvened for the purpose of the five-year review. Both
24 County and Board staff met with the local task force to
25 explain the purpose of the review and the required elements

1 of the review report. The local task force completed its
2 review. And in concurrence with the County, the
3 determination was made that a revision of the County's plan
4 was not necessary at this time.

5 The County's review report and Board staff's
6 analysis are included as attachments to this item. Board
7 staff has evaluated the County's review report and
8 determined that the required elements have been addressed.
9 Therefore, it is staff's recommendation that the Board
10 approve the County's assessment, that no revision is
11 necessary for the Tuolumne County integrated waste
12 management plan. This concludes my presentation.

13 BOARD CHAIR MOULTON PATTERSON: Thank you.
14 Mr. Jones?

15 BOARD MEMBER JONES: Having spent some time in
16 Tuolumne County, I want to move this motion. But I wanted
17 to show the Board members there's a letter written here by
18 one of the supervisors that's asking us to keep trickle
19 landfill open. We shut down that landfill and saved the
20 County 385,000 a year. This supervisor wants to reopen it.
21 They want to keep a trickle landfill open as opposed to a
22 regional facility. Doesn't make sense to me. I just bring
23 it to your attention to read. It struck me as strange.

24 I want to move adoption of resolution 2002-63,
25 consideration of staff recommendation on the adequacy of a

1 five-year review report from the county integrated waste
2 management plan for the County of Tuolumne.

3 BOARD MEMBER MEDINA: Second.

4 BOARD CHAIR MOULTON PATTERSON: Motion by Jones
5 seconded by Mr. Medina to approve resolution 2002-63.

6 Please call the roll.

7 SECRETARY VILLA: Jones?

8 BOARD MEMBER JONES: Aye.

9 SECRETARY VILLA: Medina?

10 BOARD MEMBER MEDINA: Aye.

11 SECRETARY VILLA: Paparian?

12 BOARD MEMBER PAPARIAN: Aye.

13 SECRETARY VILLA: Roberti?

14 BOARD MEMBER ROBERTI: Aye.

15 SECRETARY VILLA: Moulton Patterson?

16 BOARD CHAIR MOULTON PATTERSON: Aye. We will be
17 back at 1:30 for our time-certain discussion of item 41.

18 And after that, the Board will have a very brief closed
19 session after the conclusion of item 41.

20 (Whereupon the noon recess was taken.)

21 ---o0o---

22

23

24

25

1 SACRAMENTO, CALIFORNIA, FEBRUARY 20, 2002

2 AFTERNOON SESSION

3 ---o0o---

4 BOARD CHAIR MOULTON PATTERSON: Good afternoon.

5 I'd like to call our meeting back to order. Welcome back to
6 our February meeting. We have completed our agenda with the
7 exception of item 41, which we had time certain for 1:30 so
8 you could all participate. And then the Board will be going
9 into a brief closed session after that.

10 Mr. Jones, any ex partes?

11 BOARD MEMBER JONES: Yvonne Hunter and Margaret
12 Clark and Michael Miller, just to say hello.

13 BOARD CHAIR MOULTON PATTERSON: Mr. Medina?

14 BOARD MEMBER MEDINA: Just a communication just
15 received from the California Resources Governor Association
16 dated February 20th regarding agenda item 41.

17 BOARD CHAIR MOULTON PATTERSON: Thank you.
18 Mr. Paparian?

19 BOARD MEMBER PAPARIAN: Brief conversation with
20 Yvonne Hunter from League of Cities.

21 BOARD CHAIR MOULTON PATTERSON: And I just had a
22 very brief conversation with Yvonne Hunter also.

23 So at this time I am going to turn it over to
24 Ms. Wohl and her staff.

25 MS. WOHL: Good afternoon, Madam Chair, Board

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

1 members, this is agenda item 41, discussion and
2 consideration of issues and recommendations from the January
3 8th, 2002, "Regulation of Conversion Technologies Workshop,"
4 and I'd like to introduce Judy Friedman, Howard Levenson and
5 Fernando Berton. And Howard Levenson will present.

6 MR. LEVENSON: Good afternoon, Board members and
7 members of the audience. We have a number of people here
8 who wish to speak on this item. As Patty said, this is item
9 41 concerning conversion technologies. I told Patty I have
10 a 13-minute presentation that lays out the issues and some
11 of the background for this, and she's going to hold me to
12 it.

13 There's really two key issues that we are bringing
14 forward to you today. One is concerning the regulatory and
15 permitting framework, and we are recommending a rulemaker --
16 that at least we start the informal rulemaking process to
17 clarify the regulatory framework and remove some of the gaps
18 that we see in how these kind of facilities occur. I'll
19 come back to that.

20 The second issue is the nexus between the
21 definition of transformation and statute and the limit on
22 diversion credit that's available for materials that are
23 sent to transformation facilities.

24 We are recommending seeking a new definition, a
25 separate new definition for conversion technologies and

1 allowing limited credit under specified conditions for
2 materials that are sent to those permitted facilities.

3 A little bit of background just to set the stage.
4 We have been asked to provide some of this just to get
5 everybody up to speed.

6 First of all, there's a lot of material going into
7 landfills. Just very briefly, we are landfilling about 15
8 million tons of organic materials, recycling about six to
9 eight million tons. Ten million tons of paper are going to
10 landfills. We are recycling about four to five million
11 tons. So that's just going to landfills. That's shown here
12 graphically. We start at the top and go to 21 million tons
13 of organics.

14 Going to the left, about eight million tons are
15 used for a variety of products, compost, mulch, ADC, boiler
16 fuel. That leaves 15 million tons for organics and ten
17 million tons of paper. And the question is: How much could
18 conversion technologies use and under what kinds of
19 circumstances?

20 And, of course, we have talked about this before.
21 We are concerned about more materials flowing to landfills
22 in the future due to population of economic growth,
23 regulations impending on other kinds of residuals and
24 continued closure or potential closure of more biomass
25 energy plants. The question is: Are there other

1 technologies available that might use this material? And
2 conversion technologies can help fill this gap to provide
3 alternatives to landfills.

4 By "conversion technologies" we are talking about
5 non-combustion, non-burned technologies. In our umbrella
6 definition these would be processing post recycle materials,
7 and would yield high-value products such as energy, ethynyl
8 and other products. It's been a long history of discussion
9 about transformation. There's been about a two-year,
10 two-and-a-half-year history of discussions about conversion
11 technologies that have been under Board auspices, the 21st
12 Century project we discussed, the stated role in technology
13 development, and whether there was any change needed in the
14 definition of transformation.

15 In the ten-year status report that was sent to the
16 Legislature, we indicated that the Board would continue to
17 explore biomass issues and that the 10-percent credit issue
18 might require reconsideration. Then it was the 1999
19 symposium prior to that in Santa Barbara that Board Member
20 Jones, I believe, and I don't know who also attended from
21 the Board.

22 The strategic plan encompasses that topic as well
23 in terms of encouraging new technologies, and especially
24 supporting local efforts to use alternatives to landfill,
25 including technologies that yield electricity and fuel.

1 Over the last year we have done a number of
2 different things. In December of 2000 the Board approved
3 funding for the forum that we held in May of 2001 where
4 about 160 people attended. We turned around a Board item
5 that same month and sought your direction for a number of
6 additional activities.

7 In November of this last year we brought you
8 contract consent for additional activities which you heard
9 this morning. You awarded that contract. And then in
10 January we had another workshop on permitting and regulatory
11 issues.

12 Before we get into the nitty-gritty issues, just
13 by way to refresh your memory, there's a lot of different
14 technologies that fall under this rubric, but some of the
15 main ones are hydrolysis, which is essentially brewing
16 feedstocks into the sugars and then distilling them into
17 ethynyl and other products. Gasification, which is kind of
18 cooking feedstock at high temperatures, not combusting, but
19 cooking, and that can yield gas for electricity production,
20 and anaerobic digestion, where we have bacteria digesting
21 different feedstocks and producing gases for electricity and
22 other products. There are other kinds of technologies as
23 well.

24 There are conversion technologies in existence in
25 the United States. The thing is, there are none in the

1 United States that use all waste residuals. There are 34
2 hydrolysis plants and 20 gasification plants and many
3 anaerobic digestion plants that use coal and corn and other
4 kinds of feedstock, but none that use solid waste
5 residuals.

6 There are a number of benefits that we think could
7 accrue from the use of conversion technologies. Diversion
8 from landfills, less dependence on foreign energy and so
9 on.

10 There are, of course, downfalls and residuals
11 associated with these technologies. Hydrolysis has waste
12 water and the carbon monoxide. Gasification has problems.
13 Anaerobic digestion has the same kind of things, for the
14 most part, as a typical composting process.

15 In terms of the commercial facilities that do use
16 solid waste, there are two in operation and one under
17 production, Australia the Brightstar facility that you have
18 heard about, and Ontario there's one that uses anaerobic
19 digestion, and in New York the Mesada hydrolysis facility is
20 under production.

21 Quickly go through this, Brightstar is designed
22 for about 75,000 tons per year. Produces about ten
23 megawatts and has been operational for about a year. The
24 Canada compost facility is in a new market, designed for
25 about 150 tons per year. These have all gone through the

1 appropriate permitting processes at the State level. And
2 the Mesada plant is designed -- and this is the one that's
3 under construction in New York. This is designed for about
4 200 tons per year and designed to yield 2,000 tons of
5 ethynyl.

6 In terms of the two key issues that are before you
7 today, the first one is the regulatory and permitting
8 issue. The basic problem here is that conversion
9 technology, the term "conversion technology" is not defined
10 in statute. That has led to or results in a number of gaps
11 and inconsistencies.

12 For example, if you look at gasification, that is
13 defined under the statutory provision for the word
14 transformation. And based on some decisions that the Board
15 has made in the past, we would regulate a transformation
16 facility, like gasification, under the transformation and
17 processing regulations.

18 In contrast, hydrolysis and other things like
19 plasma arc and cavitation are not defined in statute
20 or not included in the transformation definition. So it is
21 not clear where they would be regulated.

22 Hydrolysis, though, has a component called
23 distillation, and that does show up in the transformation
24 definition. So it, too, might be regulated under the
25 transfer station processing regs, but it is not clear. And

1 then anaerobic digestion is not defined, but we typically
2 permit those kinds of facilities under the composting regs,
3 or we would permit them.

4 So at the workshop the main idea that came out was
5 to regulate aspects -- those aspects of conversion
6 technologies that handle solid waste, especially to use the
7 existing transfer station processing regulations along with
8 the three-part test is the framework for permitting and
9 regulating these kinds of technologies.

10 There was also the idea put forth that the
11 regulation should foster operations that compliment the
12 existing infrastructure. In order to go down this path, it
13 will require a rulemaking. Obviously this would still be
14 subject to CEQA and all local notification procedures, but
15 we are recommending that option 1-B for this particular
16 issue, regardless of what happens on the next issue, that is
17 that you direct us to start the informal process that would
18 lead to a rulemaking to clarify regulatory permitting
19 framework.

20 And if that was it today, you could clap your
21 hands and go home. But you know that there's been a lot of
22 discussion about the transformation discussion and the limit
23 on diversion credit. Under the definition of transformation
24 and some of the associated sections of Code, facilities that
25 handle materials that are transmission facilities are only

1 eligible for 10 percent diversion credit. And that's only
2 applicable if this facility was permitted before 1995.

3 So given that, materials sent to new facilities
4 simply are ineligible for diversion credit. The dilemma is
5 that communities are looking for alternatives to landfilling
6 and ways to meet their 50 percent requirement and go well
7 beyond that. They need to make investments now to get to
8 the 50 percent mandate. And many of them have told us that
9 they will not consider investments in conversion
10 technologies since they do not have an incentive to get any
11 diversion.

12 There, of course, are many others of the opposite
13 pole who do not feel that these technologies should get any
14 diversion credit. They believe that the more traditional
15 recycling processes and operations are better in higher
16 use. And their concern is that conversion technologies
17 would hurt the existing infrastructure with existing
18 investments in recycling and diversion programs.

19 So the diversion credit issue has been polarized.
20 Typically the positions have been either everything should
21 count for diversion or nothing should count for diversion
22 when it comes to these kinds of facilities. And there have
23 been a number of legislative attempts to gain full credit,
24 and these have not succeeded to date. So we are really kind
25 of locking here. There are still only two poles, or there

1 is some kind of middle ground that might be crafted later.

2 And in the item we have put forward to you four
3 options for your consideration. Perhaps these are not the
4 entire universe of options. It is what we could think of.
5 2-A is to maintain the status quo, which would keep the
6 limit -- no diversion credit available. 2-B would seek a
7 new separate definition for diversion technologies but would
8 not speak to the diversion credit issue itself. So by
9 default it wouldn't allow full credit. 2-C would seek a new
10 definition for conversion technologies and allow limited
11 credit on a case-by-case basis. And I'll come back to this
12 one. And 2-D is basically the same as 2-C except it doesn't
13 distinguish between the pre and post recycled at all.

14 So we have recommended in the item option 2-C.
15 Just go into that in a little more detail before I wrap up.
16 This would seek a new definition for non-burn conversion
17 technologies. It would allow limited credit for materials
18 that are sent to a permitted facility.

19 If the Board determines that, the facility has to
20 do several things, one, that it complements the existing
21 recycling infrastructure; two, that it handles post recycle
22 materials destined for landfills; and three, yields
23 properties such as energy, fuels. This would provide a
24 mechanism to protect the existing infrastructure and provide
25 more incentive to local governments to consider these kinds

1 of technologies.

2 As you might expect, and you have seen some of the
3 letters, we have gotten a lot of comments on this item.
4 Prior to or at the Board workshop last week we had gotten
5 some comments from Yvonne Hunter and Kay Martin, and
6 summarized those and sent those comments to you.

7 Basically those disagreed at the time of the
8 recommendation regarding limited diversion credit, and
9 instead favored providing full credit for these kinds of
10 facilities. They were concerned that the conditions in
11 option 2-C might mean that the Board is micromanaging the
12 planning process, and also that the Board would have the
13 discretion to withhold the permit if the proposed facility
14 didn't meet those conditions.

15 I have to say that we looked at that language, and
16 there was definitely a misplaced modifier in there that
17 might give that impression. So part of that confusion is
18 definitely our fault. Those comments asked that the Board
19 pull the items, but we changed our mind.

20 Since then, you should have gotten letters from
21 Mesada, from the Institute for Total Self-reliance, from
22 Environmental Services, JPA, an e-mail. We have got an
23 e-mail from the Global Recycling Council, and CRA provided a
24 letter, I believe, to everyone this morning, or yesterday.
25 I am not sure.

1 So in summary, basically in our minds too much
2 material is being landfilled, and we are looking for new
3 alternatives.

4 There's two issues in the item before you, one is
5 concerning the regulatory framework and permitting, and the
6 other is the transformation definition and the lack of
7 diversion credit.

8 Our recommendations are two. One is option 1-B,
9 to direct us to go ahead and start the rulemaking or the
10 initial process to clarify the regulatory framework. And,
11 of course, we will be working with the legal office on
12 that.

13 And option 2-C is to seek support for a new
14 definition and limit diversion credit under specified
15 conditions. With that, I will finish up and be happy to
16 answer any questions.

17 BOARD CHAIR MOULTON PATTERSON: Thank you,
18 Mr. Levenson. Before we begin Board questions or public
19 speakers, I just want to say thank you very much to the
20 people that have worked so hard on this under Ms. Wohl's
21 leadership, her team, Judy Friedman, Howard Levenson,
22 Fernando Berton and my technical advisor, Heidi Sanborn,
23 have done an outstanding job. It is very much appreciated.
24 Because we on the Board, this issue is very important to us,
25 and we really wanted to take a very, very careful look at

1 this. So thank you for all of your extraordinary efforts.

2 Also, Mr. Levenson, it is possible that the Board
3 could take the first step today and postpone and try and
4 work out the diversion part at a later date; is that
5 correct?

6 MR. LEVENSON: That is correct. We see those as
7 two separate issues that could be bifurcated.

8 BOARD CHAIR MOULTON PATTERSON: Any Board comments
9 before we go to the speakers? Okay. Seeing none, we have a
10 lot of people that wanted to speak today, and we want to
11 hear you all. I would ask that you be very concise so we
12 can hear everybody, and we'll appreciate that.

13 We'll start with Bob Nelson, Riverside County.

14 MR. NELSON: I am Bob Nelson, general manager and
15 chief engineer for Riverside County. I was hoping I could
16 pigtail on some of the comments, but here I am No. 1.

17 I want to speak in general support of what we're
18 trying to do. There may be some specifics with respect to
19 the 10 percent issue that I would take some exception to.
20 Whether this is the right time to take that exception or
21 later after we get into some of the legislative rulemaking,
22 I will leave for, perhaps, wiser judgment.

23 But in general terms, I think it is clear to
24 everyone, and I believe even Board members have probably
25 long reached the same conclusion as well as local agencies,

1 we should begin to find ways to go beyond what we have been
2 able to do quite successfully, I might add, for the last
3 decade. We have made tremendous progress in the last
4 decade. But we have all learned, I think, through that
5 process, that you get to a point of diminishing returns.
6 And I believe now is the time to begin taking these next
7 steps, which I very much appreciate the work of your staff,
8 your committees and the Board in bringing this up for some
9 movement on this issue.

10 We have been all talking about this now rather
11 extensively for a year. Your recommendations, I believe,
12 are very close to what I would recommend, with the exception
13 of the 10 percent issue. I believe you're exactly on the
14 right path.

15 The County and its cities and the northern end of
16 the Coachella Valley recently went through an RFP process to
17 replace a landfill. And we left open the option for vendors
18 to present something creative other than just taking the
19 waste to a landfill, and we got one such proposal from the
20 Brightstar concept.

21 And quite frankly, because of the regulations, the
22 committee and the County are reluctant to try to move ahead
23 yet on that concept. So we are stuck having to make a
24 decision in order to have something on line in time to keep
25 moving with conventional, let's take it to a landfill, until

1 we get regulations clear enough that we know we are
2 proceeding on the right path.

3 We are troubled by being forced into that
4 position, and the committee that reviewed those proposals as
5 well as our Board took a position that says all right.
6 Let's negotiate with these top two vendors. But include a
7 provision in the lease that we are going to issue that
8 requires them to pursue something creative in the area of
9 these types of conversion technologies so that we can
10 require some movement, further movement away from
11 landfilling.

12 I think with that, I would simply like to add that
13 almost any communication I get from your agency or Air Board
14 or anybody else nowadays says something to the effect that
15 the energy crisis in California is real. And I forget what
16 all the words are, but in general terms, you keep telling us
17 it is real. Let's do something about it. Today is a time,
18 I think, that we can do something about it.

19 There are opportunities out there worth standing
20 on our toes for. And I think the steps you're proposing are
21 well on the right path. I think that concludes my comments.

22 BOARD CHAIR MOULTON PATTERSON: Thank you,
23 Mr. Nelson. Jeff Yann, Hacienda Heights Improvement
24 Association, followed by Mike Mohajer, LA County.

25 MR. YANN: Good afternoon. My name is Jeff Yann.

1 I am an officer in LASER whose acronym stands for Landfill
2 Alternatives Save Environmental Resources and also
3 environmental water quality chair of the Hacienda Heights
4 Improvement Organization.

5 Our community has the misfortune of being selected
6 to host the Puente Hills landfill, which is the nation's
7 largest operating landfill. From our prospective, the
8 landfill site is not good. It is too close to our homes,
9 and the underlying landfill is leaking.

10 I believe we must encourage all means of reducing
11 or eliminating the waste of valuable materials that go into
12 landfills. While recycling usable products from the waste
13 stream is essential, even those components that cannot be
14 economically recycled can be transformed to energy.

15 In 1993 I was named project engineer of a project
16 called California Southern Edison. I am retired from Edison
17 now. I am not speaking on their behalf. We were intending
18 to use a technology that was already operating in Europe.

19 The purpose of our project was to demonstrate two
20 components that would allow large-scale commercial
21 application of this technology in the United States.

22 Because metals and glass could not be passed
23 through the gasifier, the technology required a front end
24 materials recovery facility, or MRF. This facility could
25 remove any component of the waste stream that had high

1 value. In fact, with a properly designed MRF, it could
2 fluctuate depending on market price.

3 Our preference was to send green waste to a
4 composting facility since wet green waste has no net energy
5 value. All other materials could go to the gasifier for
6 energy recovery. Our demonstration module was expected to
7 gasify 150 tons per day of refuse and produce five megawatts
8 of electricity.

9 A commercial scale-up consisting of multiple 500
10 ton per day of commercial modules could produce up to 100
11 megawatts in association with a 4,000 ton per day MRF.

12 Another way is the quantity of waste going to
13 Puente Hills Landfill now could produce 3,000 tons of
14 recycled material and 300 megawatts of electricity. The
15 energy produced by the gas fire would be piped to a utility
16 boiler, in our case, although it could be burned in a
17 furnace or other gas fire combustion device. Because the
18 synthesis gas would burn as cleanly as natural gas, there
19 would be no net increase in criteria pollutants from the
20 boiler. The air quality management in LA agreed with us and
21 was interested in partnering with us on the project.

22 Using this technology, we will have very little of
23 the solid waste stream that would require landfilling. Our
24 project was stopped by energy deregulation, which for Edison
25 took away the boilers that we would have used for the gas.

1 However, our work showed that conversion technologies have a
2 definite place in the solution to dwindling landfill space.

3 I encourage this Board to seriously evaluate the
4 role gasification and other conversion technologies can play
5 in reducing or eliminating our landfill needs. I also urge
6 the Board to go beyond the 10 percent conversion technology
7 or diversion credit allowed by AB 939 for environmental
8 conversion technologies. Thank you.

9 BOARD CHAIR MOULTON PATTERSON: Thank you,
10 Mr. Yann. Mike Mohajer followed by Jim Hemminger.

11 MR. MOHAJER: Madam Chair, I would like to testify
12 with local government representatives.

13 MR. SWEETZER: I'll stand in for Jim today. Larry
14 Sweetzer on behalf of the Rural County Services Environment
15 Authority, 21-member organization. You should have your
16 letter.

17 I'll make it brief, preparation for the other
18 speakers. We do support the maximum diversion credit
19 allowable. Despite the pros and cons of the issues that are
20 a reality that many will face in financing and citing these
21 facilities is the ability to get the diversion credit.

22 There is concern about how we go about imposing a
23 new prevent or repair requirement on these facilities. So
24 we are going to wait and see how that irons out. We would
25 like to be part of those discussions as well.

1 We don't have a position yet on the permitting
2 portion of it. But, again, we'd like to be involved in
3 those discussions as well. And we actually look forward to,
4 and I have had this discussion with staff, too, coming up
5 with smaller pocket-size versions. These facilities are
6 100- and 200-ton a day counties. That would be helpful.
7 There's a lot of interest from our members in doing that.
8 We haven't seen too much there. We hope the Board will
9 proceed with that as well.

10 BOARD CHAIR MOULTON PATTERSON: Thank you,
11 Mr. Sweetzer. We have your letter.

12 BOARD MEMBER JONES: On your prevent and repair,
13 is it the condition that we make it post MRF or we look at
14 the whole region to see if it has a negative impact on the
15 whole region?

16 MR. SWEETZER: I think the concern we have talked
17 about with some of the members is more just going down that
18 road again what the implications will be. Just the concept
19 as a whole has people concerned. So both parts of those,
20 actually.

21 BOARD MEMBER JONES: Okay.

22 BOARD CHAIR MOULTON PATTERSON: Thank you. We
23 have Mark Murray, Californians Against Waste followed by
24 Michael Hucks.

25 MR. MURRAY: Mark Murray with Californians Against

1 Waste. I am going to try to be brief. Very specifically, I
2 want to speak to the two recommendations that are before
3 you. And recommendation 1-B, we support that recommendation
4 of moving forward with the development of an appropriate
5 regulatory and permitting structure for conversion
6 technologies.

7 With regard to the second issue, I want to kind of
8 separate the two, of the issues I see. We support the idea
9 of developing and moving forward with legislation to create
10 a distinct definition for conversion technologies, distinct
11 from transformation. We think that's an important step.

12 With regard to the second part of recommendation
13 2-C, we have been working on this issue for several years
14 with Board members, with your staff, and we have long
15 supported the idea of developing conversion technologies,
16 testing the viability, both environmentally and
17 economically.

18 And frankly, we are anxious to see some of these
19 facilities get on line here in California. We need to see
20 them go through the environmental -- the CEQA process, to go
21 through the permitting process to see, if, in fact, they are
22 viable.

23 And I have got to tell you, from our perspective,
24 we think they have a great deal of potential. Having said
25 that, we have historically opposed granting diversion credit

1 for converted waste in the context of the existing 50
2 percent mandate.

3 Part of it is this technology is one that hasn't
4 been demonstrated as viable yet in California, and we are
5 concerned about seeing local governments distracted with
6 another black box technology when they should be focusing on
7 proven technologies of material recovery, material reuse and
8 recycling. And that's the appropriate focus in the existing
9 50 percent, and something that local governments should be
10 focused during this kind of post 2000 to 2005 era.

11 Having said that, we accept and we recognize the
12 conversion technologies represent a fate potential for going
13 beyond 50 percent. We see the idea of diversion credit
14 beyond what's been recommended in 2-C as absolutely being on
15 the table and in an appropriate discussion when we are
16 talking about where do we go beyond 50 percent.

17 However, at this point in time, given the fact
18 that this diversion credit issue has been thrown up as an
19 obstacle or potential obstacle to the development of this
20 technology, we are prepared to move from our historical
21 opposition to counting conversion technologies -- diversion
22 credit for conversion technologies. And specifically, we
23 are prepared to support legislation, obviously through the
24 legislative process, but legislation that would allow
25 jurisdictions under the circumstances that you have

1 described in 2-C up to 10 percent diversion credit for
2 diversion technologies.

3 Now, I also want to clarify that we will continue
4 to oppose before this Board and before the Legislature any
5 proposal to count unlimited diversion credit for conversion
6 technologies. I feel like we have gone too far on this
7 issue to kind of get stuck at this roadblock.

8 I would like to suggest to you that in the context
9 of 50 percent, I am not sure that there's a practical
10 difference between, for most jurisdictions in this state,
11 between counting -- letting them count up to 10 percent
12 credit for conversion technologies and unlimited credit.

13 In looking at these technologies, most of these
14 technologies are going to require some front end material
15 recovery. The specific facilities I have looked at,
16 anywhere from a low of 5 percent additional diversion to in
17 excess of 10, 15 percent diversion just trying to process
18 the material before the actual diversion technology.

19 So it seems to me that any jurisdiction that is
20 seriously looking at this is going to recognize that they
21 are going to have to add some front end recycling to give
22 them five, 10 percent diversion. If you allow them 10
23 percent diversion for the actual conversion process, it
24 seems to me that most jurisdictions in this state are going
25 to have no difficulty through that combination getting to 50

1 percent. So I think the notion it is a make or break issue,
2 whether 10 percent or unlimited, I don't buy it.

3 So with that, I hope that that change in position
4 from Californians Against Waste is helpful to move this
5 issue forward, and we'd like to -- we are anxious to see it
6 happen.

7 BOARD CHAIR MOULTON PATTERSON: Thank you.

8 BOARD MEMBER JONES: I want to thank you. I know
9 every member on this Board sees you in front of us a lot.
10 You and I have had three, four years worth of discussions on
11 this. You have come a long, long, long way, and it is
12 appreciated by this member, and I think by a whole lot of
13 folks.

14 Because when you break down from 50, you take the
15 10, that's 40. You pick up another 30 or 40 percent, or 5
16 percent in the pre MRF before it goes to conversion
17 technology, you would have only had to have been at 35
18 percent and you're at 50. And we both know that because we
19 have gone to a disposal-based system.

20 For those of you that can figure it out, you're
21 getting 100 percent conversion. You are not going to get
22 100 percent for a base year, but it is only going to be what
23 goes to a landfill. It is disposal based. But I do want to
24 thank you, because I think that movement is what
25 negotiation's about. I want to recognize it as being pretty

1 paramount in this discussion.

2 MR. MURRAY: I appreciate that, Board Member
3 Jones. We are anxious to move this forward. I hope that we
4 have moved this forward, frankly, today with the two
5 components that your staff has recommended.

6 As I have said to you, I am prepared to work with
7 you in the legislative process to move this thing along. If
8 you are going beyond 10 percent, I can't work with you. I
9 hope we have something to work with.

10 BOARD CHAIR MOULTON PATTERSON: Michael Hucks,
11 Brightstar Environmental, followed by Rob Bernheimer.

12 MR. HUCKS: Madam Chair, members of the Board,
13 staff, and colleagues, as a representative of Brightstar
14 Environmental, I would like you to know that we have been in
15 discussion with Riverside County and cities in the Coachella
16 Valley. There is an opportunity for us, and we are eager to
17 put in a facility that is a conversion technology.

18 At this point, as Mr. Nelson had stated earlier,
19 we are at sort of a stopping point. Because without
20 diversion credit of some description, and I obviously leave
21 it to you to decide how much that might or might not be, we
22 are not going to proceed with the project. So if I can, I
23 would like to encourage you to move forward as quickly as
24 possible. Because these things do take a minimum of two
25 years and perhaps longer to get through the permitting

1 processes that are in place already, and to initiate
2 construction and bring it to completion. Thank you very
3 much.

4 BOARD CHAIR MOULTON PATTERSON: Thank you,
5 Mr. Hucks. Rob Bernheimer followed by Kay Martin.

6 MR. BERNHEIMER: Thank you. Good afternoon, Madam
7 Chair, Board members, staff. I represent Brightstar
8 Environmental who just spoke. I really want to thank the
9 Board and the staff for the work that they have done to
10 bring this issue along in the last year.

11 And quite frankly, had it not been for the work of
12 the Board in looking for all types of alternatives, the
13 folks in Coachella Valley would not have known about
14 conversion technologies and wouldn't have known to attract
15 that.

16 Coachella Valley is really the greater Palm
17 Springs area, incredibly bio diverse region at the end of
18 the desert. There's a unique opportunity being presented,
19 and that is for all intents and purposes, it is served by
20 one landfill that is an old unlined landfill that will close
21 in 2004.

22 So we have about two and a half years now to plan
23 for what we are going to do for the Coachella Valley's waste
24 for the long-term. Without having the ability to get
25 diversion credits for conversion technologies, the local

1 officials have clearly expressed that they are unwilling to
2 make a long-term commitment towards conversion technology.

3 So the motions are in force now to put in a
4 transfer station and take trash and transfer it to another
5 part of the county. I think that's why the Board needs to
6 act and act quickly.

7 Clearly legislation needs to be sought in order to
8 make the changes that are required, but I think a stance by
9 the Board on what the future looks like in the solid waste
10 horizon is going to go a long way to getting that
11 legislation passed.

12 In regards to the 10 percent of the first 50, I
13 think the concept of a hundred percent diversion credit
14 might sound good, but there's an issue here of we need to
15 make sure to get MRF on the front end. You pull out the
16 materials, you can do that.

17 There's two ways to do that. You can say you're
18 pulling out the materials on the front end, but that's a
19 very subjective analysis. Everybody's going to say they
20 have a recycling program. If you tell jurisdictions that
21 you got to get to 40 percent using other means, that's an
22 objective criteria by which to base whether or not you're
23 pulling the materials out on the back end of the process on
24 the front end of your conversion process.

25 It was similar to the mix that was brought up by

1 this Board when they were looking at the definition of
2 discard and decide you have to source prepare it, and then
3 it can't be more than 10 percent residue. It added an
4 objective criteria to a very subjective test. I think it is
5 consistent with what the Board has done in the past.

6 I think that most jurisdictions that are at 30 to
7 35 percent today will ultimately be over 50 percent if they
8 pursue conversion even if they are only allowed to have a 10
9 percent credit.

10 But I think given the issues of that being brought
11 up by Bob Nelson in Riverside County and the stymieing
12 issues that I have had a chance to talk to many of you
13 about, I think the time to act is now to attract some of
14 these companies into California. They will not build a
15 facility in California without this issue being resolved.
16 Thank you.

17 BOARD CHAIR MOULTON PATTERSON: Thank you,
18 Mr. Bernheimer. Mr. Jones?

19 BOARD MEMBER JONES: Just two quick things that
20 you brought up. The guy you are working for basically said
21 he had to get diversion credit or he wasn't going to build a
22 diversion facility?

23 MR. BERNHEIMER: Correct.

24 BOARD MEMBER JONES: When he says a lot, is it 10
25 percent?

1 MR. BERNHEIMER: Yes.

2 BOARD MEMBER JONES: So if we went with the 10
3 percent, I am sure the Coachella Valley has had some number
4 over zero right now?

5 MR. BERNHEIMER: Most cities are low to mid-40s,
6 and most of them are at attainment.

7 BOARD MEMBER JONES: So with that 10 percent and
8 our objective being saying the material has got to be post
9 MRF, and if that means that it goes through a facility, if
10 it, in your case, it would go through an autoclave, the
11 metals and the glass and those types of things would be
12 pulled off at that process prior to going into the actual
13 system, the combination of those two pieces prior to the
14 conversion technology element, is that the objective that
15 you are talking about and tying that to the 10 percent?

16 MR. BERNHEIMER: No, those would be traditional
17 credits for recycling.

18 BOARD MEMBER JONES: No, that you'd get credit
19 for. That would be added to whatever number. And then the
20 10 percent was for the conversion.

21 MR. BERNHEIMER: For the material that goes
22 through the gasification process?

23 BOARD MEMBER JONES: Absolutely. So it is with
24 those pieces that would enable somebody like Brightstar to
25 go forward with a proposal to a jurisdiction?

1 MR. BERNHEIMER: Correct. And it is not just
2 Brightstar that says we won't go forward. Brightstar can't
3 go forward because the locals won't entertain discussions
4 with them. The only way Brightstar can go forward is to
5 execute full agreements to guarantee waste flow for the next
6 20 to 25 years, and local jurisdictions are hesitant to do
7 that not knowing if the requirement is going to go above 50
8 percent and if there's going to be diversion credit.
9 Because they could be in a world of hurt if they exercise
10 those agreements and can't get credit for those materials.

11 BOARD MEMBER JONES: I am not just talking about
12 Brightstar. I am talking about all these, but Brightstar is
13 the one that came forward. If in that jurisdiction they had
14 curbside recycling, curb waste program, a C and D program,
15 those would need to remain in existence and be continued to
16 flourish because you are only going to get probably five to
17 15 percent prior to the conversion technology out of a MRF?

18 MR. BERNHEIMER: Correct.

19 BOARD MEMBER JONES: Thank you.

20 MR. BERNHEIMER: As we discussed, and I appreciate
21 you taking the time to meet with us, we would pull the paper
22 out to the extent it wasn't already contaminated in the
23 waste stream. And we would absolutely -- we can write it in
24 that you have to keep your existing recycling programs in
25 effect. And that's where if you only allow 10 percent

1 credit towards the first 50 percent, these cities can't
2 abandon these other programs because they have to get to 40
3 through some other process.

4 BOARD CHAIR MOULTON PATTERSON: Kay Martin
5 followed by Yvonne Hunter.

6 MS. MARTIN: Good afternoon. My name is Kay
7 Martin. I am from the County of Ventura, but actually I am
8 doing kind of a tag-team presentation today with Yvonne
9 Hunter. Because we wanted to come to you with a consensus
10 group of comments that represented the position of the
11 League of Cities, the California Association of Counties,
12 the Southern California Association of Governments and also
13 the individual jurisdictions that weren't able to be present
14 today.

15 In our view, we really have three principal issues
16 involved in the whole matter of conversion technologies that
17 are permitting regulations by your Board. And all have been
18 covered by your staff and variously combined in the options
19 before you, the first being the definitional issue, being do
20 we have to deal with that in statute. The second being the
21 solid permitting waste issue or rulemaking issue, and then
22 the third, the diversion credit issue. I am going to speak
23 to the first two, and then Yvonne will speak to the last
24 issue, which is the diversion credit issue.

25 Before I begin, I want to make some general

1 comments about conversion technologies, what they are and
2 what they are not. You have heard quite a bit about the
3 fact that conversion technologies represent a category of
4 very diverse industrial processes. They can be thrilled by
5 a logical chemical, but all of these have the unique and
6 environmental ability of being able to convert biomass into
7 a wide spectrum of petroleum-replacement products.

8 You have heard quite a bit about the technologies
9 that convert biomass into alternative sources of reusable
10 energy for power production or those that convert biomass
11 into alternative cleaner fuels or fuel additives or fuel
12 cells.

13 I just wanted to emphasize to your Board that
14 these technologies also are capable of producing a
15 tremendously wide variety of products that are very similar
16 to those that we value as recycled products. For example,
17 industrial chemicals, pharmaceuticals, fragrances,
18 cosmetics, food additives and flavors as well as
19 biodegradable varieties of mastics and solvents and
20 cleaners, herbicides and pesticides. So all of these
21 products conceivably can come out of these conversion
22 technologies.

23 Importantly these new bio industries are
24 developing independently. That is, they are developing
25 outside of our field of solid waste management. They can

1 utilize a wide variety of biomass feedstocks, and they may
2 or may not end up using ours, that is biomass from the
3 residual solid waste stream.

4 The reason why solid waste may be attractive to
5 these new industries is because they can charge a fee for
6 accepting it, unlike a lot of other materials that they have
7 to pay for as feedstock. So we do have that advantage.

8 I also point out one of the reasons why these
9 types of technologies compete with landfill rather than the
10 existing recycling infrastructure, MRF operators get moneys
11 and reuse for commodities they pull out for recycled
12 markets. In the case of conversion technologies, they would
13 provide a backup or alternative to MRF operators for those
14 fractions of the waste stream that weren't economically
15 viable for them to pull out, an alternative to them trucking
16 them to landfills.

17 The fact that these biomass facilities are
18 developing outside of the solid waste field is significant
19 to us because for the first time your Board is going to be
20 regulating industrial operations whose principal focus is
21 not solid waste handling, per se. It is an incidental part
22 of the development of this industry. The primary focus in
23 this industry is going to be manufacture of bio-based
24 products. And this distinct conversion from all of the
25 others in the permitting-tiered requirements. It also bears

1 importantly on the three issues that we wanted to address
2 with you, and that is statutory definitions, permitting and
3 conversion -- diversion credit.

4 As far as consensus of recommendations are
5 concerned, definitions, yes, we agree with staff and with
6 most of the other people that have testified today, that it
7 is critical that we change the statute, change the
8 definitions of transformation and also add one more relevant
9 to conversion technologies. We would support the separation
10 of combustion versus non-combustion technologies.

11 And as far as the conversion definition is
12 concerned, we would support that it be defined as
13 non-combustion means of converting biomass wastes. And we
14 wanted this to be specified as post consumer waste from
15 which recycled materials have been substantially removed.

16 With regard to regulatory requirements and
17 rulemaking, we would support staff moving forward on an
18 informal basis with this procedure, but we would also
19 caution that the whole issue of statutory definitions is
20 essential as a prerequisite to final rulemaking.

21 For example, the Public Resources Code currently
22 does not define many of the technologies that have to be
23 defined. Those definitions that are available tend to limit
24 the flexibility that we have in the rulemaking process by
25 casting some of these in the transformation or incineration

1 camp.

2 And, also, many of the potential slotting criteria
3 or State minimum standards that may want to address in the
4 rulemaking process will depend to a large extent on how we
5 resolve the definition of conversion and the applicability
6 of diversion credit.

7 And as far as the diversion credit issue is
8 concerned, I am going to turn the podium over to Yvonne
9 Hunter who will complete discussion of our consensus
10 recommendations. Thank you.

11 BOARD CHAIR MOULTON PATTERSON: We have Yvonne
12 Hunter, League of California Cities, followed by Lori Van
13 Arsdale, City of Hemet.

14 MS. HUNTER: Madam Chair, Yvonne Hunter with the
15 California League of Cities. And the city and county
16 officials that have come up, we have tried to coordinate our
17 testimony so to be -- make wise use of the time. And as Kay
18 indicated, we are also speaking for CSAC.

19 Karen King has a Board of Directors meeting. She
20 was not able to be here. She asked me to convey her
21 endorsement of our position. Like others, I want to
22 compliment staff. They did a fantastic job, and I think
23 Howard's summary of the issues that need to be addressed as
24 well as the issues that were raised in various e-mails,
25 conversations, absolutely hit the mark.

1 Related to the issue of diversion credit, from our
2 position, from the League's position and that of CSAC, of
3 necessity we need to touch a little bit on the citing
4 permitting facility position.

5 Let me start off, though, by making absolutely
6 clear what the League of California Cities's position on
7 diversion credit for conversion technology is. We adopted
8 that last year. We agree -- we believe that jurisdictions
9 should be eligible for full credit, not just the 10 percent
10 cap, as long as it is -- whether the term is post MRF,
11 pulling out all of the recycables.

12 The key thing is that this should not be viewed as
13 a mass burn type of facility. The questions that Mr. Jones
14 has asked about that, I think we are right on the money. It
15 needs to be post consumer -- sorry. Post MRF type of
16 recycling process.

17 What concerns us with the staff recommendation on
18 option credit, dealing with diversion credit, and Howard
19 touched on that, is the recommendation that it -- the
20 facility from which you get the credit, whether it is 10
21 percent or unlimited, should complement the existing
22 recycling infrastructure, and that gives us great, great
23 concern. Because you may think it complements and someone
24 else may think it doesn't. And I hate to bring up the whole
25 process of impede and impair, but that's exactly where that

1 goes.

2 If it is acceptable for the Board to do that for
3 conversion technology, we would be concerned that somebody
4 would get the bright idea to do this for designing a
5 transfer station or a MRF. And I think we have always
6 agreed on the principal -- the Board and the Legislature has
7 agreed that the type of design of the program and the
8 facility is best left at the local level and not for the
9 Board to micromanage.

10 I think Howard indicated there may have been a
11 misplaced modifier, and I am curious which one. But that
12 would give us great, great concern. Even if you are willing
13 to say "Fine, we will give you 100 percent diversion
14 credit."

15 We do think, though, there is a better middle
16 ground than what staff valiantly attempted on option 2-C
17 that will get everyone pretty close to what they are talking
18 about.

19 I was really interested in Mark Murray's
20 comments. And Mark has come a long way, and at some point I
21 think he and I need to go out and have a very long lunch and
22 explore this a little more. But frankly, I think he made
23 our case. I think Mr. Jones's discussion following that
24 did. Because we would pose the premise that conversion
25 technology on existing infrastructure, and you are going to

1 need it anyway, it implements it in sort of a symbiotic
2 relationship. So contrary to encouraging jurisdictions to
3 drop those programs, we think it is going to encourage them
4 to enhance them.

5 What we would suggest is as Kay indicated,
6 proceeding informally on the rulemaking process for the
7 facility permitting. However, we would suggest putting over
8 until the April meeting any further action on what to do
9 about diversion credit with the exception of directing staff
10 to engage in additional conversations with stakeholders on
11 is there another way to reach a middle ground. We think
12 there are a number of ideas that have come up since the
13 staff report.

14 This is such an important issue that I think it
15 deserves the additional attention. The Board has spent over
16 a year and a half now on this. A couple of more months I
17 think would be very, very productive. So we strongly
18 encourage you not to take action on the diversion
19 recommendation, but put that over for two months.

20 There are a number of other local government
21 officials who you have their slips. They simply wish to
22 indicate their name and affiliation, that they are in
23 support of what Kay and I have said. They are not prepared
24 to give long testimony.

25 BOARD CHAIR MOULTON PATTERSON: Lori Van Arsdale,

1 City of Hemet, followed by Tony Young, City of Port Hueneme.

2 MS. VAN ARSDALE: Lori Van Arsdale, City of
3 Hemet. I do have a very short extra comment in addition to
4 what Yvonne Hunter said. As one of two cities in the County
5 of Riverside who hauls their own waste, there is only two of
6 us left, I would like to say we would have a very difficult
7 time in being incentivized to purchase a system if we only
8 had an additional 10 percent even though we are at 55
9 percent diversion.

10 We need to have additional incentives to work on
11 obtaining these kinds of conversion technologies. Let's
12 raise the bar. Let's not use a hammer. Let's raise the bar
13 and give us those additional incentives. Let's get to 80
14 percent voluntarily. I think it is also important to
15 recognize that our citizens will not allow us not to recycle
16 anymore. Their children love these programs, and they are
17 used to it, and we will keep with it, and we promise.

18 BOARD CHAIR MOULTON PATTERSON: Tony Young, City
19 of Port Hueneme, followed by Michael Miller, City Councilman
20 West Covina.

21 MS. YOUNG: I am Tony Young from the City of Port
22 Hueneme. Today I am here as the task force of the Southern
23 California Association of Southern Governments as well as
24 the immediate past chair of the Energy Environment
25 Committee, the current vice chair and a member of the 77

1 Regional Council Board at the California Association of
2 Governments.

3 This association represents 16 and a half million
4 people, half of the population of Southern California, and
5 we completely support, and have supported since 1996, the
6 recommendations that have come to you today from Kay Martin
7 and from Yvonne Hunter. And we do have a letter from our
8 president that I will give the Board clerk, and she can make
9 copies. Thank you very much.

10 BOARD CHAIR MOULTON PATTERSON: Michael Miller,
11 followed by Margaret Clark, council member Rosemead.

12 MR. MILLER: Thank you, Madam Chair and Board
13 members. I am Mike Miller, council member in West Covina.
14 I am also a member of the San Gabriel Council of
15 Governments, about 33 cities. I am on their waste
16 management committee.

17 I have been in waste for a long time, as Mr. Jones
18 knows and many people know. We fully support the approach
19 that has been outlined by Kay Martin, Yvonne Hunter and
20 Lori. Frankly, this is an option to be able to expand. And
21 not unlike my constituents who wouldn't want me to stop
22 recycling, my granddaughter wouldn't let me do it. So let's
23 go forward.

24 BOARD CHAIR MOULTON PATTERSON: Margaret Clark,
25 followed by John McInnes.

1 MS. CLARK: I am Margaret Clark, council member in
2 Rosemead and chair of the Los Angeles County Solid Waste
3 Task Force, among other committees, and we are totally in
4 support.

5 First of all, I want to thank the Board for all
6 you have done on this issue. I am very excited. I think we
7 are on the verge of a real, real exciting breakthrough in
8 solid waste. And we are totally in support of the testimony
9 of Kay Martin and Yvonne. Thank you.

10 BOARD CHAIR MOULTON PATTERSON: Thank you,
11 Ms. Clark. John McInnes, followed by George Larson.

12 MR. MCINNES: John McInnes, the new environmental
13 innovator with the County of Santa Barbara.

14 Madam Chair, Board members, I had the opportunity
15 to meet with Dr. Martin and Yvonne Hunter this morning,
16 discuss their recommendations, which they put forth earlier,
17 and the County of Santa Barbara is in agreement with those.

18 BOARD CHAIR MOULTON PATTERSON: Thank you.
19 Mr. Mohajer. Excuse me. You're next, and you had reserved
20 this time followed by George Larson.

21 MR. MOHAJER: Madam Chair, members of the Board, I
22 am Mike Mohajer, and I represent the County of Los Angeles.
23 And I just want to support what Yvonne Hunter and Kay Martin
24 indicated. I am also passing a letter that indicates the
25 position of the LA County Board of Supervisors. Thank you.

1 BOARD CHAIR MOULTON PATTERSON: Thank you,
2 Mr. Mohajer. George Larson followed by Dave Konwinski.

3 MR. LARSON: Madam Chair, George Larson here
4 representing Plastic Energy, LLC. Plastic Energy is a
5 licensee of a technology called catalatic cooking. I will
6 not go into the details of that versus gasification and
7 other technologies. We'll save that for later discussions.
8 I will use it as a segue to the fact that I have worked in
9 the issue of plastics for quite a few years now. Sometimes
10 not the most pleasant experience, but there is a difficulty,
11 as we all know, in finding markets for certain plastics
12 under the conversion technologies approach utilizing the
13 system that I am involved with. This offers a solution to
14 that problem.

15 I also have some history with the development of
16 the term transformation and the development of AB 939 and
17 subsequent changes. I am just delighted that the general
18 tone of all the comments are very positive. I, too, agree
19 that this could portend a paradigm shift in the whole way we
20 approach the next level of diversion activities that the
21 State and local jurisdictions and private industry
22 undertake.

23 I have a few comments, specifics, regarding post
24 MRF as a term that's been used in conjunction with the
25 materials that may be utilized for conversion technology.

1 Our agreements that we are negotiating with three different
2 MRFs in California will indeed be post MRF. We are taking
3 all the plastics that do not have market off the end of the
4 line.

5 However, I think that post MRF needs to be
6 broadened or expanded. There are other sources of material,
7 like agricultural plastics, that will not arrive at the MRF,
8 does not have a market today. It is a select feedstock for
9 our process. So I am suggesting that we consider a type of
10 recycling must occur, and it must be post recycling
11 activities but not restricted to the MRF.

12 Arguably in our case we feel that we would qualify
13 under the three-part test for separate materials less than
14 10 percent residuals, less than one percent putrescibles. I
15 commend the Board for launching this process, and I support
16 the staff's recommendations as presented in the agenda item
17 with the -- I believe I concur or I do concur with Kay
18 Martin's and Yvonne Hunter's modifications, that we do have
19 an informal process and get our feet really solidly on the
20 ground before that formal process and get legislation
21 processes to the definition and create the appropriate
22 definitions for conversion technology before we formally
23 approve regulations.

24 BOARD CHAIR MOULTON PATTERSON: Thank you,
25 Mr. Larson. Dave Konwinski followed by, I believe it is,

1 John Nicoles.

2 MR. KONWINSKI: Madam Chair, my name is Dave
3 Konwinski of Outside Power Systems, and kind of on the
4 flip-side, we are a company commercially in anaerobic
5 digestive technology. We feel it is a true conversion
6 technology, taking the products to total value, creating
7 electricity, thermo, high-grade soil amendments and
8 nutrient-rich water. The systems are scalable and can go
9 anywhere from 100 kilowatts to multi megawatts.

10 We feel that diversion credits would definitely
11 help get cooperation from different municipalities using
12 these waste streams.

13 One project we are looking at in Southern
14 California would divert 150,000 tons a year of high solid
15 organics waste, converting it to about 75,000 tons a year of
16 high-value soil amendments plus about two megawatts of
17 constant off the one system.

18 These types of incentives would definitely help to
19 get the counties involved, cities, municipalities and
20 local. We believe that the conversion technologies should
21 get the value added to the end of it, like Howard was
22 stating, thermo and other by-products that come from it.

23 BOARD CHAIR MOULTON PATTERSON: Thank you. John,
24 is it Nicoles? And our last speaker is Paul Relis, CR&R,
25 Incorporated.

1 MR. NICOLES: I thank you for this opportunity. I
2 am not representing anybody here. I am a bit of a tyrant in
3 the waste management business. I am a forester, and I have
4 recently run a muck of my local waste management agency in
5 Alameda County.

6 What I would like to offer just as a general
7 recommendation is that virtually all your organics that you
8 are dealing with have as their origin photosynthesis. We
9 think of photosynthesis as the way by which plants build
10 themselves. But what we tend to overlook is that it is the
11 world's most significant mechanism for gathering and storing
12 solar energy.

13 I think that I am pleased by the recommendations I
14 see here. As I say, I am new to the game. I don't know
15 what all the ins and outs are, but I think that through our
16 entire process of managing waste, if we fail ultimately to
17 extract the energy storage that's characteristic of organic
18 materials, we have failed. So obviously this is a step in
19 the right direction. Thank you for your attention.

20 BOARD CHAIR MOULTON PATTERSON: Thank you very
21 much for being here. Paul Relis, and we have had one very
22 late speaker slip, John Davis.

23 MR. RELIS: Madam Chair and members of the Board,
24 I am here on behalf of CR&R of Southern California to
25 generally support the staff recommendations. I know there

1 will need to be probably a longer lunch between Mark Murray
2 and Yvonne Hunter to figure out the balancing point there.

3 We think by moving in this direction of
4 conversion, and it's one we have had a long-standing
5 interesting in, you are really extending the whole AB 939
6 framework and the integrated waste system and the direction
7 we think it should go.

8 On an initial basis I don't think there's really
9 an impact on 1066 programs or 939 compliance because I don't
10 believe any of these facilities will be coming on-line in
11 the very near term. So I don't see it as immediately having
12 an impact. For jurisdictions that have a landfill coming to
13 a close, I can see the definite importance there.

14 The issue I wanted to bring up was one that I
15 think has faced the Board since the beginning of 939, and
16 that's market development. These technologies, like
17 gasification, would require an energy market. And without
18 that market being developed or accessible, it seems to me
19 this technology will not move nearly as comprehensively or
20 decisively as it could.

21 So I would like to urge the Board to interact very
22 heavily with the regulatory agencies, such as the PUC and
23 the Department of Water Resources and the newly-formed Power
24 Authority to see where conversion technologies could fit
25 into the energy portfolio, the renewable energy portfolio

1 that I think is so important to supporting such an industry,
2 as with recovery of paper. You are not going to have more
3 without more markets. And the market issue is a very strong
4 one facing this industry.

5 So I think what you are embarking on -- and I very
6 much support the whole process the Board has gone through,
7 beginning with the workshops and then coming to staff
8 recommendations -- staff has done an exemplary job of
9 clarifying options before you, and we hope you'll take a
10 full step. If not a full step today, at least a half step.
11 Thank you.

12 BOARD CHAIR MOULTON PATTERSON: Thank you. Nice
13 to have one of our former Board members here, Mr. Relis.
14 John Davis, Mojave Desert Mountain Recycling Authority.

15 MR. DAVIS: I apologize for giving you false
16 hope. I turned in a letter from CRA earlier today, and I
17 had meant to turn in the speaker slip. I am the president
18 of YRA and CRA. I think we are probably most focused on
19 this item that came out on the staff report about the need
20 for conversion technologies to complement waste reduction,
21 recycling, composting diversion.

22 The conversion technologies that I think you are
23 talking about entail some processes that make a product that
24 is really going to be an industrial process that supports
25 recycling. You are going to get into fuels, and you are

1 going to get into direct energy production. I think the
2 closer you move into that direct energy production, the
3 closer you start moving into what is now considered to be
4 transformation, the more issues are going to come both from
5 a regulatory standpoint and also from this whole question of
6 what is diversion. And probably more importantly for CRA,
7 what is zero waste. We are very closely affiliated with one
8 of our technical councils, and we are very closely
9 affiliated with our grassroots. They are a custodian of
10 that term, CRA.

11 CRA took some issues with the term "zero waste" at
12 the Salt Lake City Olympics, and it led to some direct
13 negotiation over what zero waste really means. So I think
14 it is the nature of our organization, and it is the strength
15 of our organization that we are going to be interested in
16 where this goes.

17 We are planning to hold a session with your help
18 and your support at our conference in Oakland to talk about
19 conversion technologies to try to educate people about where
20 the opportunities are and where this is taking us in the
21 future. I am not really ready because we haven't had the
22 chance to develop a full CRA position about this diversion
23 issue. But in my mind, it is a pretty diverse group of
24 communities.

25 It says communities that fall between 40 and 50

1 percent that are going to be looking to some specific
2 technology. It may be no more than this group of
3 communities in the Coachella Valley. But how many of those
4 come forward, I think, remains to be seen. How they come
5 forward to you is going to be on a case basis. But I am
6 pretty confident that the closer you get into doing direct
7 production of energy through this process, the more concerns
8 there are going to be, the more likely that the conversion
9 technology is closer to recycling product, or even fuel
10 production, the less concerned.

11 So with that, I'll join the earlier comments that
12 we'd really like to see this process continue, and I hope
13 that CRA can contribute to the discussions. Thank you.

14 BOARD CHAIR MOULTON PATTERSON: Thank you,
15 Mr. Davis, and thank all of our public speakers for sharing
16 your point of view. We very much appreciate you taking the
17 time to do that. And with that, Board comments?
18 Mr. Medina?

19 BOARD MEMBER MEDINA: I would like to move this
20 resolution forward. Is there any comments?

21 BOARD CHAIR MOULTON PATTERSON: Okay. From my
22 point of view, I certainly would like to take the staff
23 recommendation on beginning the regulatory process. I would
24 like to see, myself, a couple of months more so we can maybe
25 bring some consensus with the cities. So I am prepared to

1 vote for option 1-B myself, but I am not prepared to support
2 the second option. I think it needs another month or so,
3 and would that be okay with you?

4 BOARD MEMBER PAPARIAN: Madam Chair, that's fine
5 with me. One issue, and we can talk about this apart from
6 the beginning, I think, but if we're talking about material
7 that can't otherwise be recycled, at some point there has to
8 be a determination about what can be recycled and what can't
9 be otherwise recycled.

10 The question's going to come up, I'm sure, well,
11 who makes that determination. Is this going to be another
12 task for the LEAs or is the Board going to have some
13 responsibility there?

14 Is somebody else going to have that responsibility
15 or a self-certification process of some sort? I am not
16 looking for answers right now, but I think it is an issue
17 that as we go forward, will inevitably come up and will have
18 to be addressed in some form.

19 BOARD MEMBER JONES: Madam Chair, I hope -- I
20 understand what Mr. Paparian's saying, but I don't think the
21 language says material that can't be recycled. It is where
22 material types may have markets or they have pulled out a
23 whole lot of stuff already, and this is just the way they
24 are going to deal with it instead of taking it directly to a
25 landfill.

1 But for those of you that get Waste News every two
2 weeks, I mean, the paper slides continue. Bailed newspaper
3 in Seattle right now is going from somewhere between five
4 bucks a ton and \$30 a ton, and you got to pay to get it
5 there.

6 So, you know, there's aluminum prices are down.
7 One of the big -- Kaiser Aluminum just filed bankruptcy.
8 There are issues around this because of a lot of material.
9 I am not saying that so people avoid the recycling. That's
10 never been my modus operandi here, but what I have always
11 said with product development, with product stewardship,
12 with smart packaging, with those kinds of things, is that
13 when we've got a good feedstock going into the secondary
14 markets to make new post consumer or post recycled products,
15 when that base shrinks a little bit, it has got more value,
16 and people slowly but surely start making those kinds of
17 choices.

18 So I think it is a combination of the two. I
19 actually would kind of hope -- and I am not sure if we can
20 do this or not. I am supporting both options. I think --
21 but with a caveat. That if we start the ball out at 10
22 percent so that we know that there's a baseline minimum, and
23 we continue to work with local jurisdictions and
24 stakeholders and CAW and everybody else to bring it along,
25 we have at least then given an assurance that we are

1 comfortable with the 10 percent diversion, which would allow
2 industry and local government to make a preliminary
3 commitment to this technology but leave it open.

4 Write it into the resolution that we continue to
5 discuss because we have got a huge -- Mark Murray has come a
6 long, long way. He and I had this discussion in Santa
7 Barbara in 1999 or '98, whenever it was, '99. So I don't
8 mind taking some time to get to that next piece.

9 But if we are going to deal with prevent and
10 repair, then we have got to say we are going to assure we
11 are doing all of these other pieces. Maybe one of the ways
12 we can minimize that is to say the infrastructure is 10
13 percent, and then start working on the other one from
14 there.

15 BOARD CHAIR MOULTON PATTERSON: Thank you, Mr.
16 Jones. Mr. Medina?

17 BOARD MEMBER MEDINA: Madam Chair, I would like to
18 move 2002-80 into discussion, consideration of issues and
19 recommendations from the January 8, 2002, "Regulation of
20 Conversion Technologies Workshops," specifically staff
21 option 1-B.

22 BOARD CHAIR MOULTON PATTERSON: Thank you. And
23 I'll second that and ask that the diversion portion come
24 back in April. And perhaps you bring together a small
25 working group to try and work out some of the questions that

1 arose today.

2 BOARD MEMBER PAPARIAN: Madam Chair, so as the
3 resolution reads, it will be -- we're talking about the
4 first bullet in the resolved clause, and the second bullet
5 in the resolved clause that starts at the second page of the
6 resolution would not be part of that. That would be
7 stricken. That would not be part of this?

8 BOARD CHAIR MOULTON PATTERSON: Thank you. So we
9 have a motion by Mr. Medina seconded by Moulton Patterson to
10 approve resolution 2002-80 with the language that was read
11 into the record, option 1-B, not including option 2-C, to be
12 clear.

13 Please call the roll.

14 SECRETARY VILLA: Jones?

15 BOARD MEMBER JONES: Aye.

16 SECRETARY VILLA: Medina?

17 BOARD MEMBER MEDINA: Aye.

18 SECRETARY VILLA: Paparian?

19 BOARD MEMBER PAPARIAN: Aye.

20 SECRETARY VILLA: Roberti?

21 BOARD MEMBER ROBERTI: Aye.

22 SECRETARY VILLA: Moulton Patterson?

23 BOARD CHAIR MOULTON PATTERSON: Aye. Again, I'd
24 like to thank you all for being here. The Board will now go
25 into closed session, and after that our meeting is

1 adjourned.

2 (Whereupon the proceedings were concluded at 2:59

3 p.m.)

4 ---o0o---

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 REPORTER'S CERTIFICATE

2 ---o0o---

3 STATE OF CALIFORNIA)
4) ss.
COUNTY OF SACRAMENTO)

5
6 I, BALINDA DUNLAP, certify that I was the official
7 court reporter and that I reported in shorthand writing the
8 foregoing proceedings; that I thereafter caused my shorthand
9 writing to be reduced to typewriting, and the pages
10 included, constitute a full, true, and correct record of
11 said proceedings:

12 IN WITNESS WHEREOF, I have subscribed this
13 certificate at Sacramento, California, on this 7th day of
14 March, 2002.

15

16

17

18

19 BALINDA DUNLAP, CSR NO. 10710, RPR, CRR, RMR

20

21

22

23

24

25